ANNEXURE
Annexure-I

Summary of Various Reports on Corporate Governance in PSBs

Summary of Report of Advisory Group on Corporate Governance in PSBs

A Standing Committee on International Financial Standards and Codes was constituted to, *inter alia*, assess the status in India *vis-à-vis* the best global practices in regard to standards and codes. An Advisory Group on Corporate Governance (Chairman: Dr. R. H. Patil) made detailed assessment and gave recommendations of which those relating to PSBs is an important component. The Report provides the most comprehensive set of recommendations on the subject, which are summarised below

- Currently in India, about four-fifths of the banking business is under the control of public sector banks (PSBs), comprising the SBI and its subsidiaries and the nationalised banks. Corporate governance in PSBs is complicated by the fact that effective management of these banks vests with the government and the top managements and the boards of banks operate merely as functionaries. The ground reality is such that the Government performs simultaneously multiple functions *vis-à-vis* the PSBs, such as the owner, manager, quasi-regulator, and sometimes even as the super-regulator. Unless the issues connected with these multiple, and sometimes conflicting, functions are resolved and the boards of banks are given the desired level of autonomy it would be difficult to improve the quality of corporate governance in PSBs. One of the major factors that impinge directly on the quality of corporate governance is the government ownership. It is desirable that all the banks are brought under a single Act so that the corporate governance regimes do not have to be different just because the entities are covered under multiple Acts of the Parliament or that their ownership is in the private or public sector.

- Even when the government dilutes its holdings to bring them significantly below the threshold limit of 51 per cent, efforts to institute good governance practices would remain at superficial level unless the government seriously redefines its role *de novo*. The changes proposed in the composition of the boards as per legislation under contemplation would result in Government directly appointing 9 out of the 15 directors including the 4 whole time directors. Moreover, the voting rights of any of the other shareholders will continue to be restricted, thereby negating the basic principle of equal rights to all the shareholders. The rights of private shareholders’ of SBI/PSBs are abridged considerably, since their approval is not required for paying dividend or adopting annual accounts. The subsidiaries of the SBI enjoy very limited board autonomy as they have to get clearance on most of the important matters from
the parent even before putting them up to their boards. Further, as things stand today, there is no equality among the various board members of the PSBs. Nominees of the Reserve Bank and Government are treated to be superior to other directors.

- Another major problem affecting banks has been the representation given to the various interest groups on the boards of the banks. The main objective behind these representations was to give voice to various sections of the society at the board level of the banks. Hence, a major reform is needed in the area of constitution of the boards of the banks. The Chairmen, Executive Directors and non-executive directors on the boards of the PSBs (including the SBI and its subsidiaries) need to be appointed on the advice of an expert body set up on the lines of the UPSC, with similar status and independence. Such a body may be set up jointly by the Reserve Bank and the Ministry of Finance. There is also no need to have directors that represent narrow sectional and economic interests. All the objectives that the banks are supposed to achieve should become an integral part of the corporate mission statements of these institutions.

Although the Reserve Bank maintains a tight vigil and inspects these entities thoroughly at regular time intervals, the quality of corporate level governance mechanism does not appear to be satisfactory.

**Summary of Report of Advisory Group on Banking Supervision in PSBs**

The Report of the Advisory Group on Banking Supervision (Chairman: Mr. M.S. Verma) has also made some recommendations on corporate governance, which are summarised hereunder

The quality of corporate governance should be the same in all types of banking organisations irrespective of their ownership. The process of induction of directors into banks' boards and their initial orientation may be streamlined. Banks need to develop mechanisms, which can help them ensure percolation of their strategic objectives and corporate values throughout the organisation. Boards need to set and enforce clear lines of responsibility and accountability for themselves as well as the senior management and throughout the organisation. Linkage between contribution and remuneration/reward should be established.

**Summary of Report of the Consultative Group of Directors of Banks/Financial Institutions**

To this end, the then Governor of RBI Shri Bimal Jalan in his Monetary and Credit Policy Statement of October 2001 constituted a Consultative Group of Directors of banks
and financial institutions (Chairman Dr. A.S. Ganguly) to review the supervisory role of Boards of banks and financial institutions and to obtain feedback on the functioning of the Boards vis-à-vis compliance, transparency, disclosures, audit committees etc. and make recommendations for making the role of Board of Directors more effective. Its major recommendations are summarized below:

- On appointment of Directors, due diligence of the directors of all banks – be they in public or private sector, should be done in regard to their suitability for the post by way of qualifications and technical expertise. Involvement of Nomination Committee of the Board in such an exercise should be seriously considered as a formal process. Further, the Government while nominating directors on the Boards of public sector banks should be guided by certain broad “fit and proper” norms for the Directors. The criteria suggested by the Bank for International Settlements (BIS) may be suitably adopted for considering “fit and proper” test for bank directors.

- In the present context of banking becoming more complex and knowledge-based, there is an urgent need for making the Boards of banks more contemporarily professional by inducting technical and specially qualified individual. While continuing regulation based representation of sectors like agriculture, SSI, cooperation, etc., the appointment/nomination of independent/ non-executive directors to the Board of banks (both public sector and private sector) should be from a pool of professional and talented people to be prepared and maintained by the Reserve Bank. Any deviation from this procedure by any bank should be with the prior approval of the Reserve Bank.

- On the functioning, the independent/non-executive directors should raise in the meetings of the Board, critical questions relating to business strategy, important aspects of the functioning of the bank and investor relations. In the case of private sector banks where promoter directors may act in concert, the independent/non-executive directors should provide effective checks and balances ensuring that the bank does not build up exposures to entities connected with the promoters or their associates. The independent/non-executive directors should provide effective checks and balances particularly, in widely held and closely controlled banking organisations.

- As a step towards effective corporate governance, it would be desirable to take an undertaking from every director to the effect that they have gone through the guidelines defining the role and responsibilities of directors, and understood what is expected of them and enter into a covenant to discharge their responsibilities to the best of their abilities, individually and collectively.
In order to attract quality professionals, the level of remuneration payable to the directors should be commensurate with the time required to be devoted to the bank’s work as well as to signal the appropriateness of remuneration to the quality of inputs expected from a member. The statutory prohibition under section 20 of the Banking Regulation Act, 1949 on lending to companies in which the director is interested, severely constricts availability of quality professional directors on to the Boards of banks. This would require a change in the existing legal framework. We need to move towards this goal.

It would be desirable to separate the office of Chairman and Managing Director in respect of large sized public sector banks. This functional separation will bring about more focus on strategy and vision as also the needed thrust in the operational functioning of the top management of the bank. The directors could be made more responsible to their organisation by exposing them to an induction briefing need-based training programme/seminars/workshops to acquaint them with emerging developments/challenges facing the banking sector. The Reserve Bank as the regulator, could take the initiative to organising such seminars. The Reserve Bank may bring out an updated charter indicating clear-cut, specific guidelines on the role expected and the responsibilities of the individual directors. The whole-time directors should have sufficiently long tenure to enable them to leave a mark of their leadership and business acumen on the bank’s performance. All banks should consider appointing qualified Company Secretary as the Secretary to the Board and have a Compliance Officer (reporting to the Secretary) for monitoring and reporting compliance with various regulatory/accounting requirements.

The information furnished to the Board should be wholesome, complete and adequate to take meaningful decisions. A distinction needs to be made between statutory items and strategic issues in order to make the material for directors ‘manageable’. The Reviews dealing with various performance areas could be put up the Supervisory Committee of Board and a summary of each such review could be put up to the Main Board. The Board’s focus should be devoted more on strategy issues, risk profile, internal control systems, overall performance, etc. The procedure followed for recording of the minutes of the board meetings in banks and financial institutions should be uniform and formalised. Banks and financial institutions may adopt two methods for recording the proceedings viz., a summary of key observations and a more detailed recording of the proceedings.

As regards Committees, there could be a Supervisory Committee of the Board in all banks, be the public or private sector, which will work on collective trust and at the same time, without diluting the overall responsibility of the Board. Their role and
responsibilities could include monitoring of the exposures (credit and investment) review of the adequacy of risk management process and upgradation thereof, internal control systems and ensuring compliance with the statutory/ regulatory framework.

Source: Paper presented by Dr. Y.V. Reddy, Deputy Governor, Reserve Bank of India at World Bank, International Monetary Fund, and Brookings Institution Conference on Financial Sector Governance: The Role of the Public and Private Sectors on April 18, 2002 at New York City, USA.
Annexure-II

Glossary of Banking Services

Source: http://www.iba.org.in/bcsbi_code.asp

These definitions explain the meaning of words and terms used in day to day banking transaction. They are not precise legal or technical definitions.

ATM
An Automated Teller Machine [ATM] is a machine in which a customer can use his card along with PIN to get cash, information and other services.

Banking Ombudsman
An independent dispute resolution authority set up by the Reserve Bank to deal with disputes that individuals and small business have with their banks.

Card
A general term for any plastic card, which a customer may use to pay for goods and services or to withdraw cash. In this Code, it includes debit, credit, smart and ATM cards.

Credit Card
A Credit Card is a plastic card with a credit facility, which allows you to pay for goods and services or to withdraw cash.

Cheque Collection Policy
Cheque Collection Policy refers to the policy followed by a bank in respect of the various local and outstation cheques and instruments deposited with the bank for credit to an account. The policy inter alia deals with
• Cheque purchase requests
• Timeframe for credit of cheques
• Payment of interest in case of delay in collection of cheques
• Instant credit of local and outstation cheques
• Cheque / instruments lost in transit and charges for such collection.
Customer
A person who has an account [including a joint account with another person or an account held as an executor or trustee or as a Karta of an HUF, but not including the accounts of sole traders/ proprietorships, partnerships, companies, clubs and societies] or who avails of other products/ services from a bank.

Current Account
A form of demand deposit wherefrom withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount.

Deceased Account
A Deceased account is a deposit account in which case either the single account holder has deceased or in case of joint accounts one or more of joint account holders has/have deceased.

Demat Account
A Demat account refers to dematerialised account and is an account in which the stocks of investors are held in electronic form.

Deposit Accounts
• “Savings deposits” means a form of demand deposit which is subject to restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by the bank during any specified period.
• “Term deposit” means a deposit received by the bank for a fixed period withdrawable only after the expiry of the fixed period and includes deposits such as Recurring / Double Benefit Deposits / Short Deposits / Fixed Deposits /Monthly Income Certificate /Quarterly Income Certificate etc.
• “Notice Deposit” means term deposit for specific period but withdrawable on giving at least one complete banking day’s notice.

Dormant / Inoperative Account
A dormant/inoperative account is a savings bank or current account in which there are no transactions for over a period of two years.

EFT
Electronic Funds Transfer (EFT) is a scheme introduced by RBI to help banks to offer their customers facility of transfer of funds from account to account from one bank branch to another in places where EFT service is available. EFT is presently restricted to 15 centres where RBI offices are located.
Equity
Equity means a part of capital of a corporate entity which is represented by the shares of the company whether in physical or in dematerialised form.

Electronic Clearing Service
It is a mode of electronic funds transfer from one bank account to another bank account using the services of a Clearing House.

Fixed rate of interest
Fixed Rate of Interest on a loan means that interest rate is fixed for the entire period of the loan or it may be revised after the first few years depending upon the terms and conditions of loan.

Floating rate of interest
Floating Rate of Interest on a loan means that interest rate is not fixed but is linked to Reference Rate and would vary in proportion to the variations in the latter as per the terms and conditions of loan.

Guarantee
A promise given by a person

Government Bond
Government bond means a security created and issued by the Government for the purpose of raising a public loan.

Mail
A letter in a physical or electronic form.

NEFT
National Electronic Funds Transfer (NEFT) system is a nation wide funds transfer system to facilitate transfer of funds from one bank branch to any other bank branch in the country.

‘No Frills’ Account
‘No Frills’ account is a basic banking account. Such account requires either nil balance or very low minimum balance. Charges applicable to such accounts are low. Services available to such account are limited.

Nomination facility
The nomination facility enables the bank to: make payment to the nominee of a deceased depositor, of the amount standing to the credit of the depositor; return to the nominee, the
articles left by a deceased person in the bank’s safe custody; release to the nominee of the hirer, the contents of a safety locker, in the event of the death of the hirer.

**Originator**
An organization, which collects payments from a customer’s account in line with customer’s instructions.

**Other security information**
A selection of personal facts and information [in an order which the customer knows], which may be used for identification when using accounts.

**Out-of-date [stale] cheque**
A cheque, presented for collection, six months after the date of issue of the cheque.

**PAN**
The Permanent Account Number is an all India unique number having ten alphanumeric characters allotted by the Income Tax Department, Government of India. It is issued in the form of a laminated card. It is permanent and will not change with change of address of the assessee or change of Assessing Officer.

**Password**
A word or numbers or a combination on an access Code, which the customer has chosen, to allow him to use a phone or Internet banking service. It is also used for identification.

**Payment and Settlement Systems**
Payment and Settlement Systems means financial systems creating the means for transferring money between suppliers and user of funds usually by exchanging debits or credits among financial institutions.

**PIN [Personal Identification Number]**
A confidential number, use of which along with a card allows customers to pay for articles/ services, withdraw cash and use other electronic services offered by the bank.

**RTGS**
The acronym ‘RTGS’ stands for Real Time Gross Settlement. RTGS system offers the fastest means of transfer of funds through banking channel. Settlement of transactions under RTGS takes place on one-to-one basis, which is termed as ‘Gross’ settlement and in ‘real time’ i.e. without any waiting period.
**Reference rate**
It is the benchmark rate of interest of a bank to which interest on loans sanctioned under floating rate of interest is linked. The Reference Rate of interest is determined/modified by individual banks in accordance with their policies.

**Security**
 Represents assets used as support for a loan or other liability.

**Senior Citizen**
Senior Citizen is a person of over sixty years of age.

**Smart Card**
A smart card is a plastic card about the size of a credit card, with an embedded microchip which can process data. It provides a secure way of identification, authentication and storage of data. It can be used for telephone calling, electronic cash payments, and other applications.

**Tariff Schedule**
A schedule detailing charges levied by a bank on the products and services offered by it to its customers.

**Unpaid Cheque**
This is a cheque, which is returned 'unpaid' [bounced] by the bank.
Annexure-III

QUESTIONNAIRE

Sir / Madam,

This is a study on work culture being conducted by the undersigned, Arunava Narayan Mukherjee a Ph.D. Scholar from Department of Sociology, The University of Burdwan. Here is an attempt to know you, your job and Bank. It throws light on your perceptions, experiences and observations . The gathered information will be kept confidential and shall be used mainly for my academic purpose. I hope you would extend your kind co-operation by frankly responding to this questionnaire.

Thanking you in anticipation

Yours sincerely,

Arunava Narayan Mukherjee

PLEASE NOTE:

➢ The questionnaire has two parts. Part I is about yourself. In very few cases you may have to write one word answers. In case of others, you just tick in (✓).

➢ Part II is about your views about your bank. Read the statement and tick in (✓) that answer which appears nearest to you.

➢ Before you start, kindly go through the following:

• To maintain anonymity please do not write your name or sign anywhere on this questionnaire.

• All your answers will be kept confidential

• There are no ‘Right’ or ‘Wrong’ answers.

• Do not omit any statement. Please give your response to all the statements found in this questionnaire.
• There is no time limit. But work as fast as you can.

• Do not spend too much time on any item.

• Kindly do not consult others answering. Be frank.

• Please feel free to ask in case of any doubt or clarification.

**Part I: BACKGROUND INFORMATION**

1. Your age (please tick the relevant option)
   a. 20-29
   b. 30-39
   c. 40-49
   d. 50 or above

2. Your gender (please tick the relevant option)
   a. Male
   b. Female

3. Are you the only earning member of your family?
   a) Yes  b) No

4. If yes number of dependents
   a) one
   b) two
   c) three
   d) more than three

5. Your education:
   a. Bachelor Degree Holder (Science/Arts/Commerce/Others)
   b. Master Degree Holder (Science/Arts/Commerce/Others)
   c. Professional Qualification Holder

6. When did you join this bank? Year:
7. How were you recruited (Tick one or more of the following option)
   a. Advertisement & subsequent interview
   b. Common Selection Test & Interview
   c. Compassionate ground
   d. Any other

8. What was your take home salary at the time of joining? Rs. ------

9. What is your take home Salary at present? Rs.—

10. Your designation at the time of joining this bank

11. Your present designation

12. Have you received any promotion
   a) Yes  b) No

13. If yes how many?
   a) one
   b) two
   c) three
   d) more than three

   PART – II

The following statements/queries are concerned with your perceptions and observations about your organisation. Four alternatives are given against each statement/query to get your responses. Please indicate your responses by just ticking in (✓) one of the four alternatives:

14. Do you come to work outside your usual hours, e.g. at night or on holidays?
   a. Never
   b. Sometimes
   c. Often
   d. Quite Often
15. If you have fixed working hours, can you arrive late without being reprimanded by your boss?
   a. Never
   b. Sometimes
   c. Often
   d. Quite Often

16. If you have any personal work to do, can you leave the premises during work hours?
   a. You cannot go out
   b. You can go out occasionally
   c. You can go out frequently
   d. You can go out whenever necessary

17. What is your opinion of the Bank? Select one of the following alternatives:
   a. It is an ideal place to work in
   b. It is a reasonable good place to work in
   c. It does not care much about its employees
   d. It needs improvement in many areas

18. Suppose you get the opportunity to leave the bank and join another organisation, which of the following will you do?
   a. Leave at the earliest
   b. Leave unless benefits are increased
   c. Might not leave
   d. Will never leave

19. Bank personnel are inclined to finish their tasks and go home at the earliest opportunity
   a. Quite True
   b. True
   c. False
   d. Quite False

20. In crisis situations, a sense of solidarity prevails among all the staff of the bank
   a. Quite True
   b. True
   c. False
   d. Quite False
21. Bank personnel realize that their prosperity depends on how the Bank performs.
   a. Quite True
   b. True
   c. False
   d. Quite False

22. Bank personnel are not conscious about the quality of service.
   a. Quite True
   b. True
   c. False
   d. Quite False

23. Bank personnel are not loyal to the Bank
   a. Quite True
   b. True
   c. False
   d. Quite False

24. Bank personnel are quite satisfied with their job.
   a. Quite True
   b. True
   c. False
   d. Quite False

25. Bank personnel regard the Bank as their own
   a. Quite True
   b. True
   c. False
   d. Quite False

26. In comparison to other Public Sector Banks how do you find the employment of this Bank
   a. Worse
   b. Same
   c. Better
   d. Best

27. Bank staff have emotional attachment with bank
   a. Quite True
   b. True
   c. False
   d. Quite False
28. Bank personnel are ready to continue to work for bank as they feel the bank is a nice place to work
   a. Quite True
   b. True
   c. False
   d. Quite False

29. Bank personnel feel it is beneficial for them to continue to work for the bank
   a. Quite True
   b. True
   c. False
   d. Quite False

30. Bank personnel identify themselves with the values of the bank
    a. Quite True
    b. True
    c. False
    d. Quite False

31. Bank personnel accept the goals of the organization
    a. Quite True
    b. True
    c. False
    d. Quite False

32. Bank personnel are ready to help the bank to achieve its goals and values
    a. Quite True
    b. True
    c. False
    d. Quite False

33. How would you rate the work pressure on you?
    a. Very little
    b. Light
    c. Heavy
    d. Very Heavy

34. How simple or technical is your job?
    a. Very simple
    b. Simple
    c. Technical
    d. Very technical
35. How hard do you work?
   a. Very Hard
   b. Hard
   c. Not so hard
   d. At a leisure pace

36. How clear or unclear are you about your rights and obligations regarding your job?
   a. Quite unclear
   b. Unclear
   c. Clear
   d. Quite Clear

37. How much do you like your work?
   a. Very much
   b. I like it on the whole
   c. I do not like it much
   d. Not at all

38. How satisfied are you with the following aspects of your job?
   Select one of the four alternatives given below and indicate the score against each of the items:
   Scale:
   Very satisfied:
   Satisfied:
   Dissatisfied:
   Very dissatisfied:

   a. Pay
   b. Working condition
   c. Service conditions (e.g. security, promotion, welfare)
   d. Relations with superiors, peers and workers
   e. The Bank as a whole
39. How would you describe your colleagues/staff of the bank? Please tick the option against appropriate adjectives in the list provided below:

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<tr>
<td>a. Lazy</td>
<td>Yes/No</td>
<td>i. Punctual</td>
<td>Yes/No</td>
</tr>
<tr>
<td>b. Hardworking</td>
<td>Yes/No</td>
<td>j. Extremely dependent on their superiors</td>
<td>Yes/No</td>
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<tr>
<td>c. Loyal</td>
<td>Yes/No</td>
<td>k. Needing constant encouragement</td>
<td>Yes/No</td>
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<td>d. Dedicated</td>
<td>Yes/No</td>
<td>l. Trouble making</td>
<td>Yes/No</td>
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<tr>
<td>e. Ingratiating</td>
<td>Yes/No</td>
<td>m. Highly motivated</td>
<td>Yes/No</td>
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<tr>
<td>f. Highly trained</td>
<td>Yes/No</td>
<td>n. Unreliable</td>
<td>Yes/No</td>
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<tr>
<td>g. Money-minded</td>
<td>Yes/No</td>
<td>o. Dishonest</td>
<td>Yes/No</td>
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<td>h. Quality-consciousness</td>
<td>Yes/No</td>
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40. What do you think are the most pressing needs of your colleagues/staff of the bank? Please tick the option-

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<tr>
<td>a. Security of job</td>
<td>Yes/No</td>
<td>f. Better service conditions</td>
<td>Yes/No</td>
</tr>
<tr>
<td>b. Better physical conditions of work</td>
<td>Yes/No</td>
<td>g. Fewer hours of work</td>
<td>Yes/No</td>
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<tr>
<td>c. More facilities (e.g. housing and medical facilities)</td>
<td>Yes/No</td>
<td>h. Constant encouragement of superiors</td>
<td>Yes/No</td>
</tr>
<tr>
<td>d. Better safety measures</td>
<td>Yes/No</td>
<td>i. Appreciation</td>
<td>Yes/No</td>
</tr>
<tr>
<td>e. Better treatment by superiors</td>
<td>Yes/No</td>
<td>j. Opportunity to use and upgrade skills &amp; knowledge</td>
<td>Yes/No</td>
</tr>
<tr>
<td>f. Better pay and perks</td>
<td>Yes/No</td>
<td></td>
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41. Despite grievances work is not allowed to suffer
   a. Quite True
   b. True
   c. False
   d. Quite False
42. How much authority do you have to make important decision?
   a. Very Little
   b. Little
   c. Some but inadequate
   d. Full

43. People here are more conscious of their rights than of their duties.
   a. Quite True
   b. True
   c. False
   d. Quite False

44. Bank personnel are idle at the cost of work
   a. Quite True
   b. True
   c. False
   d. Quite False

45. People are wary of displeasing others. Everyone plays safe.
   a. Quite True
   b. True
   c. False
   d. Quite False

46. It is difficult to get the staff to work hard.
   a. Quite True
   b. True
   c. False
   d. Quite False

47. Bank personnel often absent themselves without permission
   a. Quite True
   b. True
   c. False
   d. Quite False

48. Those among the employees who neglect work are openly criticized by their Colleagues
   a. Quite True
   b. True
   c. False
   d. Quite False
49. Casteism is evident among the staff of the bank
   a. Quite True
   b. True
   c. False
   d. Quite False

50. People do not trust each other
   a. Quite True
   b. True
   c. False
   d. Quite False

51. Bank personnel harass their superiors
   a. Quite True
   b. True
   c. False
   d. Quite False

52. Bank personnel are divided in groups and cliques
   a. Quite True
   b. True
   c. False
   d. Quite False

53. Bank personnel obey Managers unquestioningly
   a. Quite True
   b. True
   c. False
   d. Quite False

54. Militant trade unions is a major problem for the bank
   a. Quite True
   b. True
   c. False
   d. Quite False

55. Lack of discipline and motivation is prevalent among the staff of the Bank
   a. Quite True
   b. True
   c. False
   d. Quite False
56. Superior officials spend hours sorting out conflicts among the employees.
   a. Quite True
   b. True
   c. False
   d. Quite False

57. Managers and other subordinate staff do not mingle each other
   a. Quite False
   b. False
   c. True
   d. Quite True

58. Poor performance often goes unpunished
   a. Quite False
   b. False
   c. True
   d. Quite True

59. Employees depend on Manager for every discussion
   a. Quite True
   b. True
   c. False
   d. Quite False

60. Managers are expected to obey the higher management without question
   a. Quite True
   b. True
   c. False
   d. Quite False

61. Indiscipline among the staff is glossed over.
   a. Quite True
   b. True
   c. False
   d. Quite False

62. The superior official takes the staff into his confidence on major issues
   a. Quite True
   b. True
   c. False
   d. Quite False
63. The superior official is very strict about work discipline
   a. Quite False
   b. False
   c. True
   d. Quite True

64. The superior official shows affection to the juniors.
   a. Quite False
   b. False
   c. True
   d. Quite True

65. The superior official is regarded as the head of the family.
   a. Quite False
   b. False
   c. True
   d. Quite True

66. The superior official openly appreciates those who perform well
   a. Quite True
   b. True
   c. False
   d. Quite False

67. The superior official takes interest in the careers advancement of their junior.
   a. Quite False
   b. False
   c. True
   d. Quite True

68. The superior official rewards good performance
   a. Quite False
   b. False
   c. True
   d. Quite True

69. The superior official is a very dynamic individual
   a. Quite False
   b. False
   c. True
   d. Quite True
70. The superior official inspires confidence in the juniors
   a. Quite False
   b. False
   c. True
   d. Quite True

71. The superior official maintains an optimistic outlook
   a. Quite True
   b. True
   c. False
   d. Quite False

72. The superior official is able to solve the problems of his juniors
   a. Quite False
   b. False
   c. True
   d. Quite True

73. While dealing with employees, superior officials are conscious of their status in the
    hierarchy
   a. Quite False
   b. False
   c. True
   d. Quite True

74. Physical conditions of work are unfavorable
   a. Quite True
   b. True
   c. False
   d. Quite False

75. Welfare provisions are adequate.
   a. Quite False
   b. False
   c. True
   d. Quite True

76. Grievance-handling procedures are satisfactory.
   a. Quite False
   b. False
   c. True
   d. Quite True
77. Technology is accorded greater priority than human resources.
   a. Quite True
   b. True
   c. False
   d. Quite False

78. Sufficient training is imparted to those who require it.
   a. Quite True
   b. True
   c. False
   d. Quite False

79. Work load is heavy due to shortage of staff
   a. Quite True
   b. True
   c. False
   d. Quite False

80. More employees have been employed than necessary
   a. Quite False
   b. False
   c. True
   d. Quite True

81. In the era of economic liberalization work load has increased and the work demands continuous upgradation in terms of knowledge and skill.
   a. Quite True
   b. True
   c. False
   d. Quite False

82. Introduction of V.R.S. was a timely and effective measure for Bank
   a. Quite True
   b. True
   c. False
   d. Quite False

83. Merger and Acquisition of Public Sector Banks is a welcome proposition
   a. Quite True
   b. True
   c. False
   d. Quite False
84. Pension Scheme should be introduced for the bank employees
   a. Quite True
   b. True
   c. False
   d. Quite False

85. There should be a major pay revision for Bank employees
   a. Quite True
   b. True
   c. False
   d. Quite False

86. Outsourcing of banking activities should be stopped
   a. Quite True
   b. True
   c. False
   d. Quite False

87. Recruitment to various posts should be done on regular basis.
   a. Quite True
   b. True
   c. False
   d. Quite False

88. There should be scope of appointment in the service of the bank on compassionate ground.
   a. Quite True
   b. True
   c. False
   d. Quite False
Annexure-IV

QUESTIONNAIRE ON CUSTOMER SERVICE RATING

Name of the Bank & Branch .................................. Age ...... Gender ...... Education ................... Occupation ......

Please rate by ticking (✓) or encircling (○) following factors concerning services / facilities based on your personal experience in dealing with the bank:

PART - A - QUALITATIVE ASPECTS

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Factors</th>
<th>Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Décor &amp; Layout, Access to the entrance,</td>
<td>Very Good</td>
</tr>
<tr>
<td>2</td>
<td>Cleanliness</td>
<td>Very Good</td>
</tr>
<tr>
<td>3</td>
<td>Space available for sitting / waiting / writing</td>
<td>Very Good</td>
</tr>
<tr>
<td>4</td>
<td>Availability of drinking water</td>
<td>Very Good</td>
</tr>
<tr>
<td>5</td>
<td>Special facilities for senior citizens and physically challenged persons.</td>
<td>Very Good</td>
</tr>
<tr>
<td>6</td>
<td>Visibility of Signboards, Display business hours, Display Time - Norms for various banking transactions, Provide separate 'Enquiry' or 'May I Help You' counter at large branches.</td>
<td>Very Good</td>
</tr>
<tr>
<td>7</td>
<td>Location of the Bank</td>
<td>Very Good</td>
</tr>
<tr>
<td>8</td>
<td>Car parking place</td>
<td>Very Good</td>
</tr>
</tbody>
</table>
|   | Availability of services of staff members:  
<p>| a) At their respective counters | Very Good | Good | Average | Below Average | Poor |
|---|--------------------------------------|----------|------|---------|---------------|------|
| b) For any enquiry                  | Very Good | Good  | Average | Below Average | Poor |
| c) Listening to your problems       | Very Good | Good  | Average | Below Average | Poor |
| d) Guidelines for various deposit schemes, their advantages | Very Good | Good  | Average | Below Average | Poor |
| e) Attend to all customers present in the banking hall at the close of business hours | Very Good | Good  | Average | Below Average | Poor |
| f) For procuring publicity related materials | Very Good | Good  | Average | Below Average | Poor |
|   | Bank customer meet                  | Very Good | Good  | Average | Below Average | Poor |
| 10 | General behaviour of the members of staff towards the customer | Very Good | Good  | Average | Below Average | Poor |
| 11 | Atmosphere in the Bank              | Very Good | Good  | Average | Below Average | Poor |
| 12 | Efficiency of the staff             | Very Good | Good  | Average | Below Average | Poor |
| 13 | Knowledge of the Bank employees regarding bank services | Very Good | Good  | Average | Below Average | Poor |</p>
<table>
<thead>
<tr>
<th></th>
<th>Availability of services at Computerized Counters e.g. Knowing the balance, Debit /Credit of instruments etc., and delivery of printed Pass Books/ Statements</th>
<th>Very Good</th>
<th>Good</th>
<th>Average</th>
<th>Below Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>ünsteful</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>ATM Service/Operation</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>17</td>
<td>Functioning of Debit/Credit Card</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>18</td>
<td>Internet Banking</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>19</td>
<td>Phone Banking</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>20</td>
<td>Compliance of standing instruction</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>21</td>
<td>Availability of Single Window Banking or one to one banking.</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>22</td>
<td>Interest on savings/loans</td>
<td>Very Good</td>
<td>Good</td>
<td>Average/same as other Banks</td>
<td>Below Average/worse than others Banks</td>
<td>Unreasonable</td>
</tr>
<tr>
<td>23</td>
<td>Provide details of various deposit schemes, Loans/services of the Bank, Display interest rates for various deposit schemes from time to time, Notify change in interest rates on advances.</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>24</td>
<td>Easy availability of loose pay-in-slips withdrawal slips, DDs / TTs forms &amp; challans etc.</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Grade 1</td>
<td>Grade 2</td>
<td>Grade 3</td>
<td>Grade 4</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>----------------------------------------------------------------------------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Acceptance of Direct Taxes, PPF, RBI Bonds</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>26</td>
<td>Dealing with Third Party Product i.e. Mutual Fund distribution, insurance etc.</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>27</td>
<td>Expert services available in handling of import/export business, Loans for SSI, professional and Self Employed persons, Retail Trade etc. (employment generation activity)</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>28</td>
<td>Money Transfer from foreign countries</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>29</td>
<td>Your experience about Locker Service rendered by the Branch.</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>30</td>
<td>Exchange of soiled/mutilated notes</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>31</td>
<td>Special services like receiving fees for selling prospectus of schools &amp; colleges, issuing pension etc.</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
<tr>
<td>32</td>
<td>Service Charge &amp; Fees</td>
<td>Cheap</td>
<td>Less than other bank</td>
<td>Average/same as other Banks</td>
<td>High</td>
<td>Very High</td>
</tr>
<tr>
<td>33</td>
<td>Nature of Banking Service available on holidays</td>
<td>Very Good</td>
<td>Good</td>
<td>Average</td>
<td>Below Average</td>
<td>Poor</td>
</tr>
</tbody>
</table>

xxix
| 34 | Availability of compliant register on demand/ Availability of complaint/suggestion box in the branch premises, Display address of Regional/Zonal and Central Offices as well as Nodal Officer dealing with customer grievances/complaints, Banking Ombudsman (Lokpal) Scheme | Always available and displayed | Readily available on demand | Not always available and displayed | not available and displayed at all | Even not available and displayed on demand |
| 35 | Speed of redressal of customer grievance (including problems and grievances arising out of Internet Banking, Phone Banking etc.) | Very Good | Good | Average | Below Average | Poor |
| 36 | Bank’s innovativeness in introducing new services | Very Good | Good | Average | Below Average | Poor |
| 37 | In comparison with other Public Sector Banks how do you find Service of this Bank | Excellent | Better | Equal | Poor | Worse |
| 38 | In comparison with Private Banks how do you find service of this Bank | Excellent | Better | Equal | Poor | Worse |
### PART - B - QUANTITATIVE ASPECTS

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Factors</th>
<th>Time consumed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Opening an Account</td>
<td>20 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1 hour</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 1 hour</td>
</tr>
<tr>
<td>2.</td>
<td>Issuance of Debit/Credit Card</td>
<td>2 Weeks</td>
</tr>
<tr>
<td></td>
<td></td>
<td>About a month</td>
</tr>
<tr>
<td>3.</td>
<td>Speed of withdrawal from bank / Payment of Cash, encashment of Cheque, Demand Drafts by the bank</td>
<td>within 15 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15-30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 30 mins.</td>
</tr>
<tr>
<td>4.</td>
<td>Speed of depositing money / Receipt of Cash in the accounts / purchase of DDs and in other accounts</td>
<td>within 15 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15-30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 30 mins.</td>
</tr>
<tr>
<td>5.</td>
<td>a) Clearance of local cheque</td>
<td>1 to 3 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3 to 7 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7 to 14 days</td>
</tr>
<tr>
<td></td>
<td>b) Collection of outstation cheque</td>
<td>10 to 14 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>14 days to a month</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than a month</td>
</tr>
<tr>
<td>6.</td>
<td>Delivery of Demand Drafts / Pay Orders / Bank</td>
<td>within 20 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20-30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 30 mins.</td>
</tr>
<tr>
<td>7.</td>
<td>Delivery of Fixed Deposit Receipts</td>
<td>within 20 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20-30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 30 mins.</td>
</tr>
<tr>
<td>8.</td>
<td>Updating of Savings / Recurring Deposit Pass Books (Where entries are not more)</td>
<td>within 15 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15-30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 1 day</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15-30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 1 day</td>
</tr>
<tr>
<td>10.</td>
<td>Issue of statement of accounts (Manual)</td>
<td>Within 7 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7-15 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 15 days</td>
</tr>
<tr>
<td>11.</td>
<td>Issue of Statements of Accounts / Pass Books (on computers)</td>
<td>Instantly</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 30 min</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 1 hour</td>
</tr>
<tr>
<td>12.</td>
<td>Credit of proceeds of domestic transfers</td>
<td>Within 20 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20-30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than mins. 30</td>
</tr>
<tr>
<td>13.</td>
<td>Affording credit upto Rs. 15,000/- in respect of outstation cheques</td>
<td>Immediate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>On request</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not done</td>
</tr>
<tr>
<td>14.</td>
<td>Time taken in realisation of proceeds of outstation cheques/ bills</td>
<td>Within 14 Days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15-21 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than days 21</td>
</tr>
<tr>
<td>15.</td>
<td>Time taken in sanctioning of loans against Bank's deposits</td>
<td>Within 30 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30-60 mins.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>More than 60 mins.</td>
</tr>
</tbody>
</table>
Annexure-V

INTERVIEW GUIDE

A. Background Questions

Age
How long have you worked for the company or the parent company? What position(s)?
Education
Family status

B. Questions

1. Can you tell me about the history of your organisation?

2. According to you, what were the remarkable periods in the history of your organisation? Any significant event/s that turned out to be trend-setter/s?

3. What is the role of the top management of this organisation precisely in connection with creation and preservation of work culture? Is the top management’s role felt by organisation members?

4. What is the mission/philosophy that governs this work organisation currently?

5. Can you narrate some significant stories, rituals, ceremonies and custom that manifest the work culture of your organisation?

6. In your opinion, what will your organisation be like in about five years time from now?

7. How is your typical day? Is the workload at the workplace reasonable?

8. What does in your opinion characterize the work culture of this organisation at present? (By culture I am referring to what controls how employees behave and respond to different situations, as well as traditions and routines.) How did you experience this culture when you first came to work at this organisation?
9. What kind of work culture do you want to create/have you been trying to create?

10. How is the climate in the workplace? (Do you talk things through, can you say your opinion, do you fight about things?) How do you feel about it?

11. Is there a team spirit in this workplace? How would you describe it? Is everybody a part of the team (different age groups/men/women/managers or not)?

12. How often have you felt that this organisation is good to work with? Narrate a few incidents to support your feeling.

13. Can you speak about the time when you felt this organisation was not good enough to stay and work with and hence you ought to leave? Why did you not quit this organisation?

14. Notwithstanding your organisation’s limitations, are you emotionally attached to this organisation? Can you remember one or two incidents which could express your commitment to this organisation?

15. What was the general reaction of the employees to the changes in employment and workplace as a result of reform policy and measures?
   - Initially, compared to a present stage?
   - What were their main concerns?
   - Did you notice any difference in performance in connection with the change?

16. Did the employees resist the change? If yes which of the following factors do you think caused the resistance to change? Why?
   - Fear of the unknown
   - Loss of control
   - Lack of competency
   - Lack of confidence
   - Force of habit
   - Lingering resentment
   How did the resistance appear?

17. Did difference groups react in different ways towards the change? (For example people from a certain department, with a certain position or similar?)
Annexure-VI

JOINT NOTE

SALARY REVISION FOR OFFICERS

Conclusion of Discussions between the

IBA and the Officers’ Associations

The Negotiating Committee of Indian Banks’ Association (IBA) representing the
managements of banks held several rounds of discussions with the authorised
representatives of the Officers’ Associations on salary revision and other issues
concerning service conditions for officers in Banks. In the course of the deliberations,
common viewpoints have emerged between the two parties. The outcome of the
discussions acceptable to both sides is listed in Annexure I to this
Note. The representatives of the Officers’ Associations have also agreed that the existing
service conditions be modified to the extent what has been stated in Annexure I.

2. The representatives of the Officers’ Associations, a part of United Forum of Bank
Unions (UFBU) and IBA entered into a Memorandum of Understanding on 25th
February 2008 on various issues. Extending another option for pension to those who did
not opt for pension when Bank Employees’ Pension Regulations, 1995 dated 29th
September 1995/ 26th March 1996 were implemented was one of the issues to be
considered. After several rounds of discussions and valuing the liability through an
actuarial calculation, it is agreed to extend another option to join the pension scheme to
those who did not opt for pension when Bank Employees’ Pension Regulations, 1995
dated 29th September 1995/ 26th March 1996 were implemented, on the terms and
conditions agreed and incorporated in the Joint Note dated 27th April 2010 signed
between the parties.

3. IBA agreed that it shall recommend to the Public Sector Banks, as in Annexure II, to
initiate the process of amending the Officers’ Service Regulations and Bank Employees’
Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996, in order to
implement what is stated in Annexure I. The IBA shall also recommend to the
Government of India to approve the amendments and to issue appropriate guidelines
necessary for this purpose.
4. IBA shall take steps to recommend to the Private Sector Banks which are listed in Annexure III and which have authorised the IBA in this regard, to give effect to the salary revision for their officers upto Scale III on the same lines as mentioned in Annexure I.

5. The representatives of Officers’ Associations have requested that pending formal amendments to the Officers’ Service Regulations as per procedure laid down under Section 19(1) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, IBA may advise the banks to disburse immediately an ad-hoc amount, equivalent to the net arrears payable for the period from 1st November 2007 to 30th April 2010 and continue to pay revised salary and allowances on ad-hoc basis. IBA has agreed to make suitable recommendations to the Government in this regard for its consideration.

6. The Officers’ Associations on behalf of the officer-employees in banks listed in Annexures II & III agree that the understandings reached as detailed in Annexure I hereto are in full satisfaction of their demands.

7. Management proposed that a scheme for introduction of performance linked variable pay in addition to fixed pay be considered as part of this wage revision exercise to increase efficiency in operations. After preliminary discussions, it was decided to pursue the matter further.

8. Representatives of the Officers’ Associations have assured full co-operation on their part, their affiliates and members, in implementation of measures aimed at improving customer service, optimum utilisation of manpower, expansion of banking activities to take on the competition and challenges confronting the industry and maintenance of healthy and harmonious industrial relations in the banking industry.

Mumbai
Dated : 27th April 2010

For Indian Banks’ Association For All India Bank Officers’ Confederation
(S/Shri) (S/Shri)
M V Nair K S Shetty
R Sridharan G D Nadaf
Narayanan Raja 
K Ramakrishnan 
Rajeev Rishi 
B B Das 
K Unnikrishnan 
M Venugopalan 
K Ramakoteswara Rao 
G Muthuswamy 
K D Kheda

For All India Bank Officers’ Association
(S/Shri)
Alok Khare
R J Sridharan
S Nagarajan
D K Pauddar
Sidharth N Dutta

For Indian National Bank Officers’ Congress
(S/Shri)
K K Nair
L R Prem Kumar

Subhash W Choudhari

V Ramamohan Reddy

For National Organisation of Bank Officers
(S/Shri)

M S Bhagwat

A N Madhusudan

Dr. Sunil U Deshpande

S K Rathod

Annexure-1

1) Scales of Pay

<table>
<thead>
<tr>
<th>Scale</th>
<th>14500</th>
<th>18700</th>
<th>20100</th>
<th>25700</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>700</td>
<td>700</td>
<td>800</td>
<td>25700</td>
</tr>
<tr>
<td>II</td>
<td>20100</td>
<td>20100</td>
<td>800</td>
<td>28100</td>
</tr>
<tr>
<td>III</td>
<td>25700</td>
<td>29700</td>
<td>900</td>
<td>31500</td>
</tr>
<tr>
<td>IV</td>
<td>30600</td>
<td>34200</td>
<td>1000</td>
<td>36200</td>
</tr>
<tr>
<td>V</td>
<td>36200</td>
<td>38200</td>
<td>1100</td>
<td>40400</td>
</tr>
<tr>
<td>VI</td>
<td>42000</td>
<td>46800</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>VII</td>
<td>46800</td>
<td>52000</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>
**Fitment:**
Fitment shall be stage-to-stage, i.e. on corresponding stages from 1st stage onwards and the increments shall fall on the anniversary date as usual.

2) **Stagnation Increments**
   a. Officers in JM Grade Scale I who have moved to scale of pay for MMG Scale II in terms of Regulation 5(b) after reaching maximum of the higher scale shall be eligible for four stagnation increments for every three completed years of service of which first two shall be Rs.800/- each and next two Rs.900/- each.

   Provided that officers who have completed three years or more after receipt of the second stagnation increment as on 1.11.2007 will get the third stagnation increment on 1.11.2007 and another stagnation increment on or after 1.11.2008 on their completion of six years after receipt of second stagnation increment.

   b. Officers in MMG Scale II who have moved to scale of pay for MMG Scale III in terms of Regulation 5(b) after reaching maximum of higher scale shall be eligible for three stagnation increments of Rs.900/- each for every three completed years of service.

   Provided that officers who have completed three years or more after receipt of the first stagnation increment as on 1.11.2007 will get the next stagnation increment with effect from 1.11.2007 and a subsequent stagnation increment on or after 1.11.2008 on their completion of six years after receipt of the first stagnation increment.

   Provided further those officers in substantive MMG Scale III i.e. those who are recruited in or promoted to MMG Scale III shall be eligible for four stagnation increments of Rs.900/- each for every three completed years of service. Those who have already received two stagnation increments and completed more than three years of service after receipt of second stagnation increment as on 1.11.2007 will get the third stagnation increment on 1.11.2007 and the fourth stagnation increment, on or after 1.11.2008 on their completion of six years after receipt of second stagnation increment.

3) **Dearness Allowance**
   On and from 1.11.2007, Dearness Allowance shall be payable for every rise or fall of four points over 2836 points in the quarterly average of the All India Average Working Class Consumer Price Index (General) Base 1960=100 at 0.15% of Pay.
4) **House Rent Allowance**

<table>
<thead>
<tr>
<th></th>
<th>I</th>
<th>II</th>
</tr>
</thead>
<tbody>
<tr>
<td>i)</td>
<td>Major “A” Class Cities and Project Area Centres in Group A</td>
<td>8.5% of Pay</td>
</tr>
<tr>
<td>ii)</td>
<td>Other places in Area I and Project Area Centres in Group B</td>
<td>7.5% of Pay</td>
</tr>
<tr>
<td>iii)</td>
<td>Other places</td>
<td>6.5% of Pay</td>
</tr>
</tbody>
</table>

Provided that if an officer produces a rent receipt, the House Rent Allowance payable to him/her shall be the actual rent paid by him/her for the residential accommodation in excess over 1.2% of Pay in the first stage of the Scale of Pay in which he/she is placed with a maximum of 150% of the House Rent Allowance payable as per aforesaid rates mentioned in Column II above.

**Note:**
The claims of officer employees for House Rent Allowance linked to the cost of their ownership accommodation shall also be restricted to 150% of House Rent Allowance as hitherto.

5) **City Compensatory Allowance**

<table>
<thead>
<tr>
<th>Area Rate</th>
<th>Maximum</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Places in Area I and in the State of Goa</td>
<td>4% of Basic Pay</td>
<td>Rs.540/- p.m.</td>
</tr>
<tr>
<td>ii) Places with population of five lakhs and over and State Capitals and Chandigarh, Puducherry and Port Blair</td>
<td>3% of Basic Pay</td>
<td>Rs.375/- p.m.</td>
</tr>
</tbody>
</table>

6) **Provident Fund**

(a) While the officers who are presently covered under the Pension Scheme and those who will join the Pension Scheme in terms of option being made available under Joint Note dated 27th April, 2010 shall continue to contribute 10% of the Pay towards Provident Fund, there shall be no matching contribution.

(b) Officers of State Bank of India will continue to be covered by Contributory Provident Fund Scheme as hitherto.
(c) Officers who are presently covered under Contributory Provident Fund Scheme who do not opt for Pension Scheme being made available under Joint Note dated 27th April, 2010 shall continue under the Contributory Provident Fund Scheme as hitherto.

(d) There shall be no Provident Fund to officers joining the services of banks on or after 1st April 2010. They shall be covered by a Defined Contributory Pension Scheme, where the officer will contribute 10% of Pay plus Dearness Allowance and the bank will make a matching contribution. The Scheme shall be governed by the provisions of the Contributory Pension Scheme as introduced for employees of Central Government w.e.f. 1st January 2004 and modified from time to time.

7) **Pension (other than State Bank of India)**

1. The terms of the Bank Employees’ Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall not apply to the officers who join the services of Banks on or after 1st April 2010; and they shall be covered by a Defined Contributory Pension Scheme, which shall be governed by the provision of the Contributory Pension Scheme introduced for officers of the Central Government w.e.f. 1st January 2004, and as modified from time to time. Necessary amendments to the relevant provisions of the Bank Employees’ Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall be carried out following the procedure in this regard.

2. Further to Clause 6 of the Joint Note signed on 2nd June 2005 between representatives of Officers’ Associations and IBA, it is agreed between the parties as under:

(i) With effect from 1st May 2005, the pension of officers who retired or died while in service during the period 1st April 1998 to 31st October 2002 will be re-fixed based on the definition of ‘Pay’ as defined in Clause 5 of the Joint Note dated 14th December 1999. No arrears of pension and commuted value of pension will be payable on account of such re-fixing of pension.

(ii) With effect from 1st May 2005, the pension of officers who retired or died while in service during the period 1st November 2002 to 30th April 2005 will be re-fixed based on the definition of ‘Pay’ as defined in Clause 6 of the Joint Note dated 2nd June 2005. No arrears of pension or commuted value of pension will be payable on account of such re-fixation of pension.
3. Further to Clause 2(b) of the Joint Note dated 2nd June 2005, it is agreed between the parties as under:

(i) On and from 1.5.2005, in the case of officers who retired during the period 1.4.1998 to 31.10.2002, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every 4 points over 1684 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100. Such increase or decrease in dearness relief for every said four points shall be calculated in the manner given below:

<table>
<thead>
<tr>
<th>Scale of Basic Pension per month</th>
<th>The rate of Dearness Relief payable as a percentage of Basic Pension</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Upto Rs. 3550</td>
<td>0.24 percent</td>
</tr>
<tr>
<td>(ii) Rs.3551 to Rs.5650</td>
<td>0.24 per cent of pension exceeding Rs.3550 plus 0.20 per cent of the basic pension in excess of Rs.3550</td>
</tr>
<tr>
<td>(iii) Rs.5651 to Rs.6010</td>
<td>0.24 per cent of Rs.3550 plus 0.20 per cent of the difference between Rs.5650 and Rs. 3550 plus 0.12 per cent of basic pension in excess of Rs.5650</td>
</tr>
<tr>
<td>(iv) Above Rs.6010</td>
<td>0.24 per cent of Rs. 3550 plus 0.20 per cent of the difference between Rs.5650 and Rs.3550 plus 0.12 per cent difference between Rs.6010 and Rs.5650 plus 0.06 per cent of basic pension in excess of Rs. 6010</td>
</tr>
</tbody>
</table>

(ii) In respect of retirees for the period 1.11.2002 to 30.4.2005 for whom pension has been revised w.e.f. 1.5.2005 based on definition of pay in terms of Clause 6(2)of the Joint Note dated 2nd June 2005, dearness relief shall be payable w.e.f. 1.5.2005 for every rise or be recoverable for every fall as the case may be of every four points over 2288 points in the quarterly average of All India Average Consumer Price Index for Industrial Workers in the series 1960=100 @ 0.18% of the basic pension.

(iii) In respect of officers who retire on or after 1.5.2005, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every four points over 2288 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100, at the rate of 0.18 per cent of basic pension.

(iv) In respect of officers who retired or died while in service on or after 1.05.2005 Dearness Relief shall be payable at 0.18% of the basic pension or
family pension or invalid pension or compassionate allowance as the case may be. Dearness Relief in the above manner shall be paid for every rise or fall of 4 points over 2288 points in the quarterly average of the All India Average Consumer Price Index for industrial workers in the series 1960 = 100.

Note:
The Dearness Relief as above shall be payable for the half year commencing from the 1st day of February and ending with 31st day of July on the quarterly average of index figures published for the months October, November and December of the previous year and for the half year commencing from 1st day of August and ending with the 31st day of January on the quarterly average of the index figures published for the months of April, May and June of the same year.

8) Medical Aid
On and from 1st November 2007, reimbursement of medical expenses shall be as under:
a) Officers in JMG & MMG Scales–Rs.5100/-p.a.
b) Officers in SMG & TEG Scales - Rs.6320/-p.a.

9) Hospitalisation Expenses
On and from 1st May 2010, reimbursement of hospitalisation expenses under Regulation 24(1(b)(i) of Officers’ Service Regulations, 1979/1982, shall be in terms of the Hospitalisation Scheme laid down under Bipartite Settlement dated 27th April 2010 for workmen employees, subject to following limits:-

<table>
<thead>
<tr>
<th>Scale of Officer Limits</th>
<th>Limits</th>
</tr>
</thead>
</table>
| a) Junior Management Grade Scale I and Middle Management Grade Scales II & III. | i) Bed Charges
Self – Rs.700/- per day.
Family – Rs.525/- per day.
ii) Other charges –
At the scale of 125% of the limits laid down under the Hospitalisation Scheme applicable to workmen employees. |
| b) Senior Management Grade Scales IV & V and Top Executive Grade Scales VI & VII. | i) Bed Charges
Self – Rs.900/- per day.
Family – Rs.675/- per day.
ii) Other charges –
At the scale of 150% of the limits laid down under the Hospitalisation Scheme applicable to workmen employees. |
10) **Recovery of House/Furniture Rent**

i. House rent recovery shall be @ 1.20% of the first stage of the scale of pay in which the officer is placed or the standard rent for the accommodation, whichever is less.

ii. Furniture rent recovery shall be @ 0.25% of the first stage of the scale of pay in which the officer is placed.

11) **Fixed Personal Pay (w.e.f. 1.11.2007)**

Fixed Personal Pay together with House Rent Allowance shall be at the following rates and shall remain frozen for the entire period of service.

<table>
<thead>
<tr>
<th>Increment Component (Rs.)</th>
<th>DA as on 01.11.2007</th>
<th>Total F.P.P. payable where bank’s accommodation is provided (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A)</td>
<td>(B)</td>
<td>(C)</td>
</tr>
<tr>
<td>800</td>
<td>58</td>
<td>858</td>
</tr>
<tr>
<td>900</td>
<td>65</td>
<td>965</td>
</tr>
<tr>
<td>1000</td>
<td>72</td>
<td>1072</td>
</tr>
<tr>
<td>1100</td>
<td>79</td>
<td>1179</td>
</tr>
<tr>
<td>1200</td>
<td>86</td>
<td>1286</td>
</tr>
<tr>
<td>1300</td>
<td>94</td>
<td>1394</td>
</tr>
</tbody>
</table>

**Note:**
(i) F.P.P. as indicated in “C” above shall be payable to those officer employees who are provided with bank’s accommodation.

(ii) F.P.P. for officers eligible for House Rent Allowance shall be “A” + “B” plus House Rent Allowance payable on the last increment of the relevant scale of pay.

(iii) The increment component of F.P.P. shall rank for superannuation benefits.

12) **Professional Qualification Pay (PQP) (w.e.f. 1.11.2007)**

(A) Officers shall be eligible for professional qualification pay as under:

(i) Those who have passed only CAIIB – Part I / JAIIB Rs.410/- p.m. one year after reaching top of the scale.

(ii) Those who have passed both parts of CAIIB –

a. Rs.410/- p.m. one year after reaching top of the scale.

b. Rs.1030/- p.m. two years after reaching top of the scale.
(B) An Officer employee acquiring JAIIB/CAIIB (either or both parts) qualifications after reaching the maximum of the scale of pay, shall be granted from the date of acquiring such qualification the first installment of PQP and the release of subsequent installments of PQP shall be with reference to the date of release of first installment of PQP.

Provided further that in a case where an officer, as on the date of this Joint Note, has already acquired any of the above said qualifications and has not earned any increment or PQP on account of acquiring such qualification/s, he may be, with effect from 1st November 2007 or the date of acquiring such qualification/s, whichever is later, released PQP as provided herein above.

13) Other Allowances

(i) Deputation Allowance
On and from 1st May 2010, Deputation Allowance shall be at the following rates:

a) An officer deputed to serve outside the bank – 7.75% of Pay with a maximum of Rs.2,300/- p.m.
b) An officer deputed to an organization at the same place or to the training establishment of the bank – 4% of Pay with a maximum of Rs.1200/- p.m.

(ii) Hill and Fuel Allowance (w.e.f. 1.11.2007) Place Rate

<table>
<thead>
<tr>
<th>Place Description</th>
<th>Percentage of Pay</th>
<th>Maximum Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Places with an altitude of 1000 metres and above but less than 1500 metres and Mercara Town</td>
<td>2%</td>
<td>Rs.550/- p.m.</td>
</tr>
<tr>
<td>b) Places with an altitude of 1500 metres and above but less than 3000 metres.</td>
<td>2.5%</td>
<td>Rs.680 p.m.</td>
</tr>
<tr>
<td>c) Places with an altitude of 3000 metres and above.</td>
<td>5%</td>
<td>Rs.1570/- p.m.</td>
</tr>
</tbody>
</table>

(iii) Halting Allowance (w.e.f. 1.5.2010)

<table>
<thead>
<tr>
<th>Grade / Scales of Officers</th>
<th>Major ‘A’ Class Cities (Rs.)</th>
<th>Area I (Rs.)</th>
<th>Other Places (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Officers in Scale IV &amp; above</td>
<td>1000/-</td>
<td>800/-</td>
<td>700/-</td>
</tr>
<tr>
<td>Officers in Scale I/II/III</td>
<td>800/-</td>
<td>700/-</td>
<td>600/-</td>
</tr>
</tbody>
</table>
Provided that in the case of officers in Scale IV and above, halting allowance payable per diem while on outstation work at the four metros, viz. Delhi, Mumbai, Kolkata and Chennai, shall be Rs.1200/- and for officers in Scale I/II/III Rs.1000/-. 

(iv) Special Area Allowance (w.e.f. 1.11.2007)
At places where special area allowance is payable in terms of Regulation 23(ii) of Officers’ Service Regulations, 1979/1982, the said allowance shall be payable at rates as in Annexure IV.

(v) Mode of Travel and Expenses on Travel (w.e.f. 1.5.2010)
The following provisions shall apply wherever an officer is required to travel on duty:
(a) An officer in Junior Management Grade is entitled to travel by 1st Class or AC 2-tier Sleeper by train. He may, however, travel by air (economy class) if so permitted by the Competent authority, having regard to the exigencies of business or public interest.
(b) An officer in Middle Management Grade is entitled to travel by 1st Class or AC 2-tier Sleeper by train. He may, however, travel by air (economy class) if the distance to be travelled is more than 1000 kms. He may, however, travel by air (economy class) even for a shorter distance if so permitted by the Competent Authority, having regard to the exigencies of business or public interest.
(c) An officer in Senior Management or Top Executive Grade is entitled to travel by AC 1st Class by train or by air (economy class).
(d) An officer in Senior Management or Top Executive Grade may travel by car between places not connected by air or rail provided that the distance does not exceed 500 km. However, when a major part of the distance between the two places can be covered by air or rail only the rest of the distance should normally be covered by car.
(e) Any other officer may be authorised by the Competent Authority, having regard to the exigencies of business, to travel by his own vehicle or by taxi or by the Bank’s vehicle. The remaining provisions as in Sub-regulations (2) & (3) of Regulation 41 of Officers’ Service Regulations shall remain unchanged.
(vi) Leave Travel Concession (w.e.f. 1.5.2010)

1. During each block of 4 years, an officer shall be eligible for leave travel
concession for travel to his place of domicile once in each block of two years.
Alternatively, he may travel in one block of two years to his place of domicile
and in another block of two years to any place in India by the shortest route.

2. Alternatively, an officer, by exercising an option anytime during a 4 year block
or two year block, as the case may be, surrender and encash his LTC (other than
travel to place of domicile) upon which he shall be entitled to receive an amount
equivalent to 75% of the eligible fare for the class of travel by train to which he is
entitled upto a distance of 4500 kms. (one way) for officers in JMG Scale I and
MMG Scale II & III and 5500 kms (one way) for officers in SMG Scale IV and
above. An officer opting to encash his LTC shall prefer the claim for himself /
herself and his / her family members only once during the block / term in which
such encashment is availed of. The facility of encashment of privilege leave while
availing of Leave Fare Concession is also available while encashing the facility of
LTC.

3. The mode and class by which an officer may avail of Leave Travel Concession
shall be the same as the officer is normally entitled to travel on transfer and other
terms and conditions subject to which the Leave Travel Concession may be
availed of by an officer, shall be as decided by the Board from time-to-time.
Provided that w.e.f. 1st May 2010 an officer in Junior Management Grade Scale I
while availing LTC will be entitled to travel by air in the lowest fare economy
class in which case the reimbursement will be the actual fare or the fare applicable
to AC 1st Class fare by rain for the distance traveled whichever is less. The same
rules shall apply when an officer in Middle Management Grade Scale II and
Middle Management Grade Scale III while availing LTC where the distance is
less than 1000 kms.

(vii) Definition of Family:

a. For the purpose of medical facilities and for the purpose of leave fare
concession, the expression ‘family’ of an officer shall mean an officer’s spouse,
wholly dependent unmarried children (including step children and legally adopted
children), physically challenged brother/sister with 40% or more disability, as also
parents ordinarily residing with and wholly dependent on the officer.

b. The term wholly dependent child/parent, wholly dependent physically
challenged brother/ sister shall mean such member of the family having a monthly
income not exceeding Rs.3500/- p.m. If the income of one of the parents exceeds

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Rs.3,500/- p.m. or the aggregate income of both the parents exceeds Rs.3,500/- p.m., both the parents shall not be considered as wholly dependent on the officer.

14) Project Area Allowance
On and from 1st November 2007, Project Area Compensatory Allowance shall be payable at the following rates:
Project Areas falling in Group A – Rs.290/- p.m.
Project Areas falling in Group B – Rs.255/- p.m.

15) Mid Academic Year Transfer Allowance
On and from 1st May 2010, Mid Academic Year Transfer Allowance shall be payable at Rs.700/- p.m. subject to other conditions.

16) Split Duty Allowance
On and from 1st November 2007, Split Duty Allowance shall be payable at Rs.165/- p.m.

17) Compensation on Transfer (w.e.f. 1.5.2010)
An officer on transfer will be eligible to draw a lumpsum amount as indicated below for expenses connected with packaging, local transportation, insuring the baggage etc.

<table>
<thead>
<tr>
<th>Grade/Scale of Officer (Rs.)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Officers in Scale IV and above</td>
<td>12,000/-</td>
</tr>
<tr>
<td>Officers in Scale I, II and III</td>
<td>9,000/-</td>
</tr>
</tbody>
</table>

18) Maternity Leave (w.e.f. 1.5.2010)
(a) Maternity leave, which shall be on substantive pay, shall be granted to a female employee for a period not exceeding 6 months on any one occasion and 12 months during the entire period of her service.

(b) Within the overall period of 12 months, leave may also be granted in case of miscarriage/abortion/MTP.

(c) Within the overall period of 12 months, leave may also be granted in case of hysterectomy upto a maximum of 45 days.
19) **Provision for State Bank of India**
The disposal of the balancing cost of pension in respect of State Bank of India arising out of this Joint Note shall be decided by the bank with the concurrence of Government of India.

20) The Officers’ Associations who are parties to this Joint Note have offered and agreed that all officers in the service of the banks as on 27th April 2010 and who exercise their option to join the Pension Scheme in terms of the Joint Note dated 27th April 2010 for the purpose will contribute from their arrears on account of wage revision in terms of this Joint Note, an amount of Rs.922 crores towards their share in the amount of Rs.1800 crores offered by UFBU towards 30% of the estimated funding gap of Rs.6000 crores. The said amount is worked out @2.8 times of the revised pay payable for the month of November 2007.

21) **Date of Effect**
For payment of arrears, the benefits under various provisions as above, shall be from 1st November 2007, unless otherwise specified against the relevant provisions.

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**Annexure-2**

**List of Public Sector Banks**

1. Allahabad Bank  
2. Andhra Bank  
3. Bank of Baroda  
4. Bank of India  
5. Bank of Maharashtra  
6. Canara Bank  
7. Central Bank of India  
8. Corporation Bank  
9. Dena Bank  
10. Indian Bank  
11. Indian Overseas Bank  
12. Oriental Bank of Commerce  
13. Punjab & Sind Bank  
14. Punjab National Bank  
15. Syndicate Bank  
16. UCO Bank  
17. Union Bank of India  
18. United Bank of India
19. Vijaya Bank
20. State Bank of India
21. State Bank of Bikaner & Jaipur
22. State Bank of Hyderabad
23. State Bank of Indore
24. State Bank of Mysore
25. State Bank of Patiala
26. State Bank of Travancore

Annexure-3

List of Private Sector Banks

1. Bank of Rajasthan Ltd.
2. The Catholic Syrian Bank Ltd.
3. The Dhanalakshmi Bank Ltd.
4. The Federal Bank Ltd.
5. ING Vysya Bank Ltd
6. The Jammu & Kashmir Bank Ltd.
7. The Karnataka Bank Ltd.
8. The Karur Vysya Bank Ltd.
9. The Lakshmi Vilas Bank Ltd.
10. The Nainital Bank Ltd.
11. The Ratnakar Bank Ltd.
12. The South Indian Bank Ltd.
**Special Area Allowance**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Area</th>
<th>Allowances (Rs.)</th>
<th>Pay below Rs.14,700/-</th>
<th>Pay above Rs.14,700/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mizoram</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Throughout Lunglei District excluding areas beyond 25 kms. from Lunglei town of Mizoram.</td>
<td>2000</td>
<td>2600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Throughout Aizawl</td>
<td>1600</td>
<td>2100</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) District of Mizoram</td>
<td>1200</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Nagaland</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Andaman &amp; Nicobar Island</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) North Andaman, Middle Andamans, Little Andaman, Nicobar &amp; Narcondum Islands.</td>
<td>20000</td>
<td>2600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) South Andaman (including Port Blair)</td>
<td>1600</td>
<td>2100</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Sikkim</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Lakshadweep Islands</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Assam</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Meghalaya</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Tripura</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Difficult areas of Tripura</td>
<td>1600</td>
<td>2100</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Throughout Tripura except difficult areas.</td>
<td>1200</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Manipur</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Arunachal Pradesh</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Difficult areas of Arunachal Pradesh</td>
<td>2000</td>
<td>2600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Throughout Arunachal Pradesh other than difficult areas.</td>
<td>1600</td>
<td>2100</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Jammu &amp; Kashmir</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1) Kathua District: Niaabat Bani, Lohi, Malhar and Machhodi</td>
<td>2000</td>
<td>2600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2) Udhampur District:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Dudu Basantgarh, Lander Bhamag Illaqa, other than those included in Part 2(b).</td>
<td>2000</td>
<td>2600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Areas up to Goel from Kamban Side and areas up to Arnas from Keasi side in Tehsil Mohre.</td>
<td>1600</td>
<td>2100</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) Doda District: Illaqua of Padder and Niaabat Nowgam in Kishtwar Tehsil</td>
<td>2000</td>
<td>2600</td>
<td></td>
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<tr>
<td></td>
<td>4) Leh District: All places in the District</td>
<td>2000</td>
<td>2600</td>
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<td></td>
<td>5) Barmulla District</td>
<td></td>
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<tr>
<td></td>
<td>a) Entire Gurez-Nirabat, Tangdar Sub-Division and Keran Illaqua</td>
<td>2000</td>
<td>2600</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Matchill</td>
<td>1600</td>
<td>2100</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6) Poonch and Rajouri District</td>
<td>1200</td>
<td>1500</td>
<td></td>
</tr>
</tbody>
</table>
Areas in Poonch and Rajouri District excluding the towns of Poonch and Rajouri and Sunderbani and other urban areas in the two Districts

7) Areas not included in (1) to (6) above, but which are within the distance of 8 kms. from the line of Actual Control or at places which may be declared as qualifying for border allowance from time-to-time by the State Government for their own staff.

<table>
<thead>
<tr>
<th>12 Himachal Pradesh</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(1) Chamba District</strong></td>
</tr>
<tr>
<td>(a) Pangi Tehsil, Bharmour Tehsil, Panchayats : Badgaun, Bajol, Deol Kugti, Nayagam and Tundah, Villages: Ghatu of Gram Panchayat Jagat, Kanarsi of Gram Panchayat Chauhata</td>
</tr>
<tr>
<td>2000 2600</td>
</tr>
<tr>
<td>(b) Bharmour Tehsil, excluding Panchayats and Villages included in (a) above.</td>
</tr>
<tr>
<td>1600 2100</td>
</tr>
<tr>
<td>(c) Jhandru Panchayat in Bhatiyat Tehsil, Churah Tehsil, Dalhousie Town (including Banikhet proper).</td>
</tr>
<tr>
<td>1200 1500</td>
</tr>
</tbody>
</table>

| **(2) Kinnaur District:** |
| a) Asrang, Chitkul and Hango Kuno/ Charang Panchayats, 15/20 Area comprising the Gram Panchayats of Chhota Khamba, Nathpa and Rupi, Pooh Sub-Division, excluding the Panchayat Areas specified above. |
| 2000 2600 |
| b) Entire District other than Areas included in (a) above. |
| 1600 2100 |

| **(3) Kullu District:** |
| a) 15/20 Area of Nirmand Tehsil, comprising the Gram Panchayats of Kharga, Kushwar and Sarga |
| 2000 2600 |
| b) Outer-Saraj (excluding villages of Jakat-Khana and Burrow in Nirmand Tehsil) and entire District excluding outer Saraj area and pargana of Pandrabis but including villages Jagat-Khana and Burrow of Tehsil Nirmand). |
| 1200 1500 | 2000 2600 |
(4) Lahaul and Spiti District:
Entire area of Lahaul and Spiti

(5) Shimla District:
a) 15/20 area of Rampur Tehsil comprising of Panchayats of Koot, Labana-Sadana, Sarpara and Chadi-Branda.

b) Dora-Kawar Tehsil, Gram Panchayat of Darkali in Rampur, Kashapath Tehsil and Munish, Ghori Chaibis of Pargana Sarahan.

c) Chopal Tehsil and Ghoris, Panjgaon, Patsnau, Naubis and Teen Koti of Pargana Sarahan, Deothi Gram Panchayat of Taklesh Area, Pargana Barabis, Kasba Rampur and Ghori Nog of Pargana Rampur of Rampur Tehsil, Simla Town and its suburbs (Dhali, Jatog, Kasumpti, Mashobra, Taradevi and Tutu).

(6) Kangra District:
a) Areas of Bara Bhangal and Chhota Bhangal
1600
2100

b) Dharamshala Town of Kangra District and the following offices located outside the Municipal limits but included in Dharamshala Town-Women’s ITI, Dari, Mechanical Workshop, Ramnagar, Child Welfare and Town and Country Planning Offices, Sakoh, CRSF Office at lower Sakoh, angra Milk Supply Scheme, Dugiar, HRTC Workshop, Sadher, Zonal Malaria Office, Dari, Forest Corporation Office, Shimnagar, Tea Factory, Dari, I.P.H. Sub- Division, Dan, Settlement Office, Shimnagar, Hinwa Project, Shimnagar.

Palampur Town of Kangra District including HPKV Campus at Palampur and the following offices located outside its municipal limits but included in Palampur Town – H.P. Krishi Vishwavidhalaya Campus, Cattle Development Office/Jersey Farm, Banuri, Sericulture Office/Indo-German Agriculture Workshop/HPPWD Division, Bundla, Electrical Sub-Division, Lohna, D.P.O.
<table>
<thead>
<tr>
<th>Corporation, Bundla, Electrical HESEE Division, Ghuggar.</th>
<th>1200</th>
<th>1500</th>
</tr>
</thead>
<tbody>
<tr>
<td>(8) Sirmaur District: Panchayats of Bani, Bakhali (Pachhad Tehsil), Bharog Bheneneri (Paonta Tehsil), Birla (Nahan Tehsil), Dibber (Pachhad Tehsil) and Thana Kasoga (Nahan Tehsil) and Thansgin Tract</td>
<td>1200</td>
<td>1500</td>
</tr>
<tr>
<td>(9) Solan District: Mangal Panchayat.</td>
<td>320</td>
<td>400</td>
</tr>
<tr>
<td>(10) Remaining areas of Himachal Pradesh not included in (1) to (9) above.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>13</strong> Uttar Pradesh: Areas under Chamoli, Pithoragarh and Uttar Kashi Districts</td>
<td>2000</td>
<td>2600</td>
</tr>
<tr>
<td><strong>14</strong> Uttarakhand (Uttarakhand): Areas under Rudraprayag and Champavat Districts.</td>
<td>1600</td>
<td>2100</td>
</tr>
</tbody>
</table>
Annexure-VII

IBA Fair Practice Code for Customer Service

Source: [http://www.iba.org.in/bcsbi_code.asp](http://www.iba.org.in/bcsbi_code.asp)

1.1 Objectives of the Code

The Code has been developed to:

a. promote good and fair banking practices by setting minimum standards in dealing with you

b. increase transparency so that you can have a better understanding of what you can reasonably expect of the services

c. encourage market forces, through competition, to achieve higher operating standards

d. promote a fair and cordial relationship between you and your bank
e. foster confidence in the banking system.

The standards of the Code are covered by the key commitments in Section 2.

N.B. In this code ‘We’ stand for the Bank ‘You’ stand for the Customer.

1.2 Application of the Code

This Code applies to all the products and services listed below, whether they are provided by branches or subsidiaries, agents acting on our behalf, across the counter, over the phone, by post, through interactive electronic devices, on the internet or by any other method. However, all products discussed here may or may not be offered by us.

a. Current accounts, savings accounts, term deposits, recurring deposits, PPF accounts and all other deposit accounts

b. Payment services such as pension, payment orders, remittances by way of Demand Drafts, wire transfers and all electronic transactions e.g. RTGS, EFT, NEFT

c. Banking services related to Government transactions

d. Demat accounts, equity, Government bonds
e. Indian currency notes exchange facility

f. Collection of cheques, safe custody services, safe deposit locker facility

g. Loans, overdrafts and guarantees

h. Foreign exchange services including money changing

i. Third party insurance and investment products sold through our branches

j. Card products including credit cards, debits cards, ATM cards, smart cards and services (including credit cards offered by our subsidiaries/companies promoted by us).

2. KEY COMMITMENTS

2.1 Our Key Commitments To You

2.1.1 To Act Fairly And Reasonably In All Our Dealings With You By:

a. Providing minimum banking facilities of receipt and payment of cash/cheques at the bank’s counter

b. Meeting the commitments and standards in this Code, for the products and services we offer, and in the procedures and practices we follow

c. Making sure our products and services meet relevant laws and regulations in letter and spirit

d. Ensuring that our dealings with you rest on ethical principles of integrity and transparency

e. Operating secure and reliable banking and payment systems.

2.1.2 To Help You To Understand How Our Financial Products And Services Work By:

a. Giving you information about them in any one or more of the following languages – Hindi, English or the appropriate local language

b. Ensuring that our advertising and promotional literature is clear and not misleading
c. Ensuring that you are given clear information about our products and services, the terms and conditions and the interest rates/service charges, which apply to them.

d. Giving you information on what are the benefits to you, how you can avail of the benefits, what are their financial implications and whom you can contact for addressing your queries and how.

2.1.3 To Help You Use Your Account Or Service By:

a. Providing you regular appropriate updates

b. Keeping you informed about changes in the interest rates, charges or terms and conditions

c. Displaying in our branches, for your information

   i. Services we provide

   ii. Minimum balance requirement for Savings Bank accounts and No Frills accounts and charges for non-maintenance thereof

   iii. Name of the official at the branch whom you may approach if you have a grievance

   iv. Name and address of the Zonal/ Regional Manager whom you can approach if your grievance is not redressed at the branch

   v. Name and contact details of the Banking Ombudsman under whose jurisdiction the branch falls

   vi. Information available in booklet form.

d. Displaying on our website our policies on

   i. Cheque collection

   ii. Grievance Redressal

   iii. Compensation

2.1.4 To Deal Quickly And Sympathetically With Things That Go Wrong By:
a. Correcting mistakes promptly and cancelling any bank charges that we apply due to our mistake

b. Handling your complaints promptly

c. Telling you how to take your complaint forward if you are still not satisfied (see para No. 7)

d. Providing suitable alternative avenues to alleviate problems arising out of technological failures.

2.1.5 To Treat All Your Personal Information As Private And Confidential
We will treat all your personal information as private and confidential subject to matters mentioned in para No. 5 below.

2.1.6 To Publicise The Code We Will:
a. provide you with a copy of the Code, on request, over the counter or by electronic communication or mail

b. provide you (new customer) with a copy of the Code when you open your account

c. make available this Code at every branch and on our website

d. ensure that our staff are trained to provide relevant information about the Code and to put the Code into practice.

2.1.7 To Adopt And Practice A Non-Discrimination Policy
We will not discriminate on the basis of age, race, gender, marital status, religion or disability.

3. INFORMATION – TRANSPARENCY

You can get information on interest rates, common fees and charges through any one or more of the following:
a. Looking at the Notice Board in our branches

b. Phoning our branches or help-lines

c. Looking on our website
d. Asking our designated staff/help desk

e. Referring to the service guide/Tariff Schedule.

3.1 General
We will:

a. give you clear information explaining the key features of the services and products you
tell us you are interested in, including applicable interest rates, fees and charges

b. give you information on any type of products and services which we offer and that
may suit your needs

c. tell you if we offer products and services in more than one way [for example, through
ATMs, on the Internet, over the phone, in branches and so on] and tell you how to find
out more about them

d. tell you what information we need from you to prove your identity and address, for us
to comply with legal, regulatory and internal policy requirements

e. give you information on your rights and responsibilities especially regarding availing
of nomination facility offered on all deposit accounts, articles in safe custody and safe
deposit vaults.

3.2 ‘Do Not Call’ Service
When you become our customer we will automatically register your name under our ‘Do
Not Call ‘ Service. We will not inform/extend to you through telephone calls/SMS/e­
mails any new product /service unless and until you inform us in writing that you consent
to avail of this information/service.

3.3 Interest Rates
We will give you information on:

a. (i) the interest rates which apply to your deposit and loan accounts
(ii) in case of loans at fixed rate of interest, details of interest reset clause, if any,
in the loan agreement and the effective date thereof
(iii) in case of loans at floating rate of interest, the reference rate to which your
floating rate will be linked and the premium or discount applied to the reference
rate for determining the rate of interest on your loan. This reference rate will
remain uniform for customers contracting the loan at different points of time
(iv) whether the loan agreement will contain a minimum rate of interest clause
(v) whether we give you the option for conversion of your loan from fixed rate to
floating rate and vice versa and, if so, the charges therefor
b. when we will pay interest on your deposits or charge interest on your loan accounts

c. how we apply interest to your deposit and loan accounts and how we calculate interest thereon.

3.3.1 Changes in interest rates
We will inform you of changes in interest rates and changes in the reference rate to which the floating rate of interest is linked through any one or more of the following means:

i. Notice at the branches

ii. Annexure to the statement of account

iii. Letters

iv. e-mail

v. SMS

vi. Website

vii. Newspaper

3.4 Tariff Schedule

3.4.1 Fees & Charges

a. We will display in our branches a notice about the Tariff Schedule and that you can ask to see this free of cost.

b. We will give you details in our Tariff Schedule of any charges applicable to the products and services chosen by you.

c. We will also provide you information about the penalties leviable in case of non-observance/violation of any of the terms and conditions governing the product/services chosen by you.

3.4.2 Changes in Fees & Charges
If we increase any of these charges or introduce a new charge, it will be notified one month prior to the revised charges being levied/becoming effective.
3.5 Terms and Conditions
a. We will advise you the relevant terms and conditions for the service you have asked us to provide.

b. All terms and conditions will be fair and will set out respective rights especially with regard to nomination facility and liabilities and obligations clearly and as far as possible in plain and simple language.

3.5.1 Changes to Terms and Conditions
a. We will tell you of changes to terms and conditions through any one or more of the following channels:
   i. Account statements/ Pass book
   ii. ATMs
   iii. Notice Board at each branch
   iv. Internet, including e-mail and website
   v. Newspaper
   vi. SMS.

b. Normally, changes will be made with prospective effect giving notice of one month.

c. If we have made any change without notice, we will notify the change within 30 days. If such change is to your disadvantage, you may within 60 days and without notice, close your account or switch it without having to pay any extra charges or interest.

d. We will immediately update on our website, any changes in the terms and conditions. We will give you, on request, a copy of the new terms and conditions or a summary of the changes.

4. ADVERTISING, MARKETING AND SALES

a. We will make sure that all advertising and promotional material is clear, and not misleading.

b. In any advertising in any media and promotional literature that draws attention to a banking service or product and includes a reference to an interest rate, we will also
indicate whether other fees and charges will apply and that full details of the relevant terms and conditions are available on request.

c. If we avail of the services of third parties for providing support services, we will require that such third parties handle your personal information (if available to such third parties) with the same degree of confidentiality and security as we would.

d. We may, from time to time, communicate to you various features of our products availed by you. Information about our other products or promotional offers in respect of our products/services, will be conveyed to you only if you have given your consent to receive such information/service either by mail or by registering for the same on our website or on our phone banking/customer service number.

e. We have prescribed a code of conduct for our Direct Selling Agencies (DSAs) whose services we may avail to market our products/services which amongst other matters requires them to identify themselves when they approach you for selling our products personally or through phone. We will ensure that any third party or agent acting on our behalf or selling our product complies with the Code in respect of all products and services covered by the Code.

f. In the event of receipt of any complaint from you that our representative/courier or agent has engaged in any improper conduct or acted in violation of this Code, we shall take appropriate steps to investigate and to handle the complaint and to make good the loss as per our compensation policy.

5. PRIVACY AND CONFIDENTIALITY

We will treat all your personal information as private and confidential [even when you are no longer a customer], and shall be guided by the following principles and policies. We will not reveal information or data relating to your accounts, whether provided by you or otherwise, to anyone, including other companies/ entities in our group, other than in the following exceptional cases:

a. If we have to give the information by law

b. If there is a duty towards the public to reveal the information

c. If our interests require us to give the information (for example, to prevent fraud) but we will not use this as a reason for giving information about you or your accounts [including your name and address] to anyone else, including other companies in our group, for marketing purposes
d. If you ask us to reveal the information, or if we have your permission, in writing

e. If we are asked to give a banker’s reference about you, we will need your written permission before we give it. We will explain to you the extent of your rights under the existing legal framework for accessing the personal records that we hold about you. We will not use your personal information for marketing purposes by anyone including ourselves unless you specifically authorize us to do so.

5.1 Credit Reference Agencies
a. We will explain to you the role of Credit Reference Agencies (CRA) as also the checks we may make with them and the effect the information they provide can have on your ability to get credit.

b. Information about credit availed from us is reported by us to the CRA on a monthly basis.

c. Information reported to CRA will also include personal debts you owe us even when
   i. You have fallen behind with your payments
   ii. The amount owed is in dispute
   iii. You have made proposals which we are not satisfied with.

d. If your loan account has been in default, and thereafter regularised, we will take steps to update this information with the CRA in the next monthly report.

e. When you apply for credit facility from us, we will on request, and on payment of prescribed fee, furnish you a copy of the credit information obtained by us from the CRA.

6. COLLECTION OF DUES

Whenever we give loans, we will explain to you the repayment process by way of amount, tenure and periodicity of repayment. However, if you do not adhere to repayment schedule, a defined process in accordance with the laws of the land will be followed for recovery of dues. The process will involve reminding you by sending you notice or by making personal visits and/or repossession of security, if any.

Our collection policy is built on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and longterm relationship.
a. We will post details of the recovery agency firms/companies engaged by us on our website.

b. We will also make available on request details of the recovery agency firms/companies at our branches.

c. Our staff or any person authorized to represent us in collection of dues or/and security repossession will identify himself/herself and display the authority letter issued by us and upon request display(ing) to you his/her identity card issued by the bank or under authority of the bank.

d. We will provide you with all the information regarding dues and will endeavour to give sufficient notice for payment of dues.

e. We will have a system of checks before passing on a default case to collection agencies so that you are not harassed on account of lapses on our part.

f. We will write to you when we initiate recovery proceedings against you.

g. All the members of the staff or any person authorized to represent our bank in collection or/and security repossession would follow the guidelines set out below:

i. You would be contacted ordinarily at the place of your choice and in the absence of any specified place at the place of your residence and if unavailable at your residence, at the place of business/occupation

ii. Identity and authority to represent would be made known to you

iii. Your privacy would be respected

iv. Interaction with you would be in a civil manner

v. Normally our representatives will contact you between 0700 hrs and 1900 hrs, unless the special circumstances of your business or occupation require otherwise

vi. Your requests to avoid calls at a particular time or at a particular place would be honoured as far as possible

vii. Time and number of calls and contents of conversation would be documented
viii. All assistance would be given to resolve disputes or differences regarding dues in a mutually acceptable and in an orderly manner

ix. During visits to your place for dues collection, decency and decorum would be maintained

x. Inappropriate occasions such as bereavement in the family or such other calamitous occasions would be avoided for making calls/visits to collect dues

xi. We will investigate any complaint from you about unfair practices by collection agents.

6.1 Security Repossession Policy
We will follow a security repossession policy in consonance with the law. A copy of the policy will be made available on request.

7. COMPLAINTS, GRIEVANCES AND FEEDBACK

7.1 Internal Procedures
a. If you want to make a complaint, we will tell you:

i. How to do this

ii. Where a complaint can be made

iii. How a complaint should be made

iv. When to expect a reply

v. Whom to approach for redressal

vi. What to do if you are not happy about the outcome. Our staff will help you with any questions you have.

b. We will tell you where to find details of our procedure for handling complaints fairly and quickly.

c. If your complaint has been received in writing, we will endeavour to send you an acknowledgement/ a response within a week. If your complaint is relayed over phone at our designated telephone helpdesk or customer service number, we shall provide you a
complaint reference number and keep you informed of the progress within a reasonable period of time.

d. After examining the matter, we will send you our final response or explain why we need more time to respond and shall endeavour to do so within 30 days of receipt of your complaint and will tell you how to take your complaint further if you are still not satisfied.

7.2 Banking Ombudsman Scheme
a. We will display the Banking Ombudsman Scheme on our website. Copy will be made available on request at a nominal charge. We will display at our branches the name and contact details of the Banking Ombudsman under whose jurisdiction the branch falls.

b. We will display the name of the official at the branch whom you may approach if you have a grievance. If your complaint is unresolved at the branch level, you may approach our Regional / Zonal Manager at the address displayed at the branch.

c. Within 30 days of lodging a complaint with us, if you do not get a satisfactory response from us and you wish to pursue other avenues for redressal of grievances, you may approach Banking Ombudsman appointed by Reserve Bank of India under Banking Ombudsman Scheme. Our staff would explain the procedure in this regard.

8. PRODUCTS AND SERVICES

8.1 Deposit Accounts
a. You may open different types of accounts with us such as, savings accounts, term deposits, current accounts including ‘No Frills’ Account etc. with us. You may open such accounts in the following styles:

   i. Single
   
   ii. Joint
   
   iii. Joint (Either or Survivor)
   
   iv. Joint (Former or Survivor)
   
   v. Joint (Latter or Survivor); or
   
   vi. in any other style
b. The above may be opened by you with or without nomination facility. We will include the option for nomination in the account opening form. We will explain the implications of the foregoing accounts as also the nomination facilities at the time of opening of the account.

c. We will acknowledge the receipt of your nomination details and record the fact of nomination on the passbook/Account Statement/FDRs. At your request, we will also indicate the name of the nominee thereon.

d. We will also inform you about liquid deposit facility, sweep account and similar types of products offered by us and their implications and procedures involved, at the time of opening of account.

**Account Opening and Operation of Deposit Accounts**

Before opening any deposit account, we will:

a. carry out due diligence as required under “Know Your Customer” (KYC) guidelines of the bank

b. ask you to submit or provide necessary documents or proofs to do so

c. obtain only such information to meet with our KYC , Anti Money Laundering or any other statutory requirements. In case any additional information is asked for, it will be sought separately and we will specify the objective of obtaining such additional information. Providing such information will be voluntary

d. provide the account opening forms and other material to you. The same will contain details of essential information required to be furnished and documents to be produced for verification and/or for record for meeting the KYC requirements

e. explain the procedural formalities and provide necessary clarifications sought by you while opening a deposit account

f. at the time of opening of the account, make available to you the details of the insurance cover in force under the insurance scheme, subject to certain limits and conditions offered by the Deposit Insurance and Credit Guarantee Corporation of India (DICGC)

**Changing your account**

a. If you are not happy about your choice of current / savings account, within 14 days of making your first payment into the account, we will help you switch to another of our
accounts or we will give your money back with any interest it may have earned. We will ignore any notice period and any extra charges.

b. If you decide to close your current/savings account we will close your account within three working days of receiving your instructions.

c. If you want to transfer your account to another branch of our bank we will do so. Your account at the new branch will be operationalised within two weeks of receiving your request, subject to your complying with the required KYC formalities at the new branch. We will intimate you as soon as the account is operationalised. The new branch will be provided with information on your standing instructions/direct debits, if any.

d. We will cancel any bank charges you would have to pay as a result of any mistake or unnecessary delay by us when you transfer your current/savings account to or from us.

8.1.1 Savings/Current Accounts
When you open a Deposit Account, we will:

a. inform you about number of transactions, cash withdrawals, etc. that can be done free of charge within a given period

b. inform you about the kind of charges, if any, in case of exceeding such limits. Details of the charges will be included in the Tariff Schedule

c. inform you of the rate at which interest is paid on your savings deposits, how it is calculated and its periodicity.

Minimum balance

The minimum balance to be maintained in the Savings Bank account will be displayed in our branches.

For deposit products like Savings Bank Account and Current Account or any other type of Deposit Account, we will inform you:

a. about minimum balance to be maintained as part of terms and conditions governing operation of such accounts

b. about charges which will be levied in case of failure to maintain minimum balance in the account by you. Details of the charges will be included in the Tariff Schedule
c. of any change in minimum balance to be maintained 30 days in advance. During this notice period, we will not charge you for nonmaintenance of higher minimum balance prescribed.

**Charges**
Specific charges for issue of cheque books, additional/duplicate statement of accounts, duplicate pass book, copies of paid cheques, folio charges, debit card, ATM card, verification of signature, return of cheque for insufficient balance, change in mandate or style of account, closure of Savings Bank / Current accounts etc., will be included in our Tariff Schedule. Concessions or relief given (such as perpetual waiver of renewal fee on lifetime credit cards) will not be withdrawn during the original validity period of the concession/relief.

**Statements**
a. To help you manage your account and check entries in it, we will provide you with a monthly statement of account unless you have opted for a pass book.

b. You can ask us to provide you with account statements more often than is normally available on your type of account, at a charge. This charge will be indicated in the Tariff Schedule.

c. You will be able to see your last few transactions at the counter. You will also be able to see the transactions on ATM, internet as also through phone and mobile banking wherever such facilities are available with us.

d. We will also send you statement of accounts by e-mail, or through our secure Internet banking service, if you so desire, provided we have such facility with us.

e. We will ensure that entries in your pass book / statements are brief and intelligible.

**8.1.2 Term Deposit**
When you place a term deposit with us we will:

a. obtain instructions from you for disposal of your deposits at maturity in the application form

b. inform you the procedure for withdrawal of term deposit before maturity

c. inform you of the interest rates applicable and charges for premature withdrawal of term deposit
d. tell you the terms and conditions and interest rate applicable in case you renew the deposits after the date of maturity, at the time of acceptance of the deposit

e. advise you of provisions of I.T. Act applicable to the interest income accruing to you on your deposits, our obligations under the act and provisions available to you for seeking exemptions from Tax Deduction at Source

f. obtain Form 15 H / 15 G from you at the time of application if you are not liable to pay tax on your interest income

g. issue the requisite certificate if we deduct tax from interest accrued on your deposits.

**Advances against Deposits**

We will explain facility of loan/overdraft available against term deposits.

**8.1.3 ‘No Frills’ Account**

We will make available a basic banking ‘No Frills’ Account either with ‘nil’ or very low minimum balance. The charges applicable for various services/ products in such an account will be indicated in a separate Tariff Schedule. The nature and number of transactions in such accounts may be restricted, which will be made known to you at the time of opening of the account in a transparent manner.

**8.1.4 Accounts of Minors**

We will tell you, if enquired, how a minor can open a Deposit Account and how it can be operated.

**8.1.5 Special Accounts**

We will make our best efforts to make it easy and convenient for our special customers like senior citizens, physically challenged persons and illiterate persons to bank with us. This will include making convenient policies, products and services for such applicants and customers. We will inform the procedure for opening of the account and other terms and conditions to blind /other physically challenged persons provided he/she calls on the bank personally along with a witness who is known to both such person and the bank.

**8.1.6 Dormant/ Inoperative Accounts**

We will:

a. tell you when you open your account, what period of inoperation of the account would render your account being classified as dormant/ inoperative account. You will also be informed three months before your account is classified as dormant / inoperative or treated as unclaimed account and the consequences thereof
b. notify the joint holder/s also before an account is classified as inoperative / dormant

c. tell you the procedure to be followed if you want to activate the account

d. not charge you for activation of the inoperative account.

8.1.7 Closing Your Account
Under normal circumstances, we will not close your account without giving you at least 30 days’ notice. Examples of circumstances, which are not ‘normal’, include improper conduct of account etc. In all such cases, you will be required to make alternate arrangements for cheques already issued by you and desist from issuing any fresh cheques on such account.

8.2 Clearing Cycle / Collection Services
We will:

a. tell you about the clearing cycle for local instruments and the outstation instruments including details such as when you can withdraw money after lodging collection instruments and when you will be entitled to earn delayed interest as per our Cheque Collection Policy

b. pay you compensation, as per our Cheque Collection / Compensation Policy for any delay in collection of instruments, without waiting for a demand from you

c. provide details, if we offer immediate credit for outstation cheques, including the applicable terms and conditions, such as the limit up to which instruments tendered by you can be credited, operating accounts satisfactorily, etc.

d. proceed as per our Cheque Collection Policy and provide all assistance for you to obtain a duplicate cheque/instrument in case a cheque/instrument tendered by you is lost in transit

e. give the above information when you open your account and whenever you ask us. If there is any change in our policy, the revised policy will be displayed on our website and at all our branches.

8.3 Cash Transactions
a. We will accept cheques / cash and dispense cash at any of our branches under core banking subject to any restrictions on type of transaction or charges, if any, applicable to such transactions.
b. We will exchange soiled/mutilated notes and/ or small coins at such of our branches as per RBI Directives.

c. For transactions above a specified amount we may require you to furnish your PAN.

d. We will reimburse amounts wrongly debited in failed ATM transactions within a maximum period of 12 working days from the date of receipt of your complaint.

8.3.1 Direct debits and standing instructions
We will:

a. at the time of opening the account tell you how direct debits/standing instructions work and how you may record/cancel them and the charges connected with them. Charges will be levied as per the Tariff Schedule as amended from time to time.

b. act upon mandates given by you for direct debits [say Electronic Clearing Service (ECS)] and other standing instructions. In case of any delay or failure in executing the mandate resulting in financial loss or additional cost, we will compensate as per the compensation policy of the bank. If the mandate cannot be executed due to insufficient balance in your account, we will levy charges as per the Tariff Schedule as amended from time to time.

c. refund your account with interest as soon as it is determined that it is unauthorisedly/erroneously debited from your account under a direct debit and compensate you as per the Compensation Policy of the bank.

8.4 Stop Payment Facility
We will:

a. accept stop payment instruction from you in respect of cheques issued by you. Immediately on receipt of your instructions we will give acknowledgement and take action provided these cheques have not already been cleared by us.

b. levy charges, if any, and the same will be included in the Tariff Schedule as amended from time to time.

c. in case a cheque has been paid after stop payment instructions are acknowledged, reimburse and compensate you as per the Compensation Policy of the bank.

8.5 Cheques / Debit Instructions Issued By You
We will:
a. keep original cheques/debit instructions paid from your account or copies or images of the same, for such periods as required by law

b. give you the cheque /debit instruction or a copy thereof as evidence as long as records are available with us. If there is a dispute about a cheque paid/debit instructions from your account, in case the request is made within a period of one year, no charge will be levied and beyond a period of one year charges will be levied as per the Tariff Schedule

c. tell you how we will deal with unpaid cheques and out-of-date [stale] cheques. The details of charges to be levied will be included in the Tariff Schedule as amended from time to time.

8.6 Branch Closure/ Shifting
If we plan to close our branch or if we move our branch, we will give you:

a. notice of three months if there is no other branch of any bank functioning at your centre and inform you how we will continue to provide banking services to you

b. notice of two months, if there is a branch of any other bank functioning at your centre.

8.7 Settlement Of Claims In Respect Of Deceased Account Holders

8.7.1 We will follow a simplified procedure for settlement of accounts of deceased account holders.

a. Accounts with survivor/nominee clause
In case of a deposit account of a deceased depositor where the depositor had utilized the nomination facility and made a valid nomination or where the account was opened with the survivorship clause (“either or survivor” or “anyone or survivor” or “former or survivor” or “latter or survivor”), the payment of the balance in the deposit account to the survivor(s)/nominee of a deceased deposit account holder will be made provided:

i. the identity of the survivor(s)/nominee(s) and the fact of the death of the account holder, is established through appropriate documentary evidence

ii. there is no order from the competent court restraining the bank from making the payment from the account of the deceased

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

The payment made to the survivor(s) / nominee, subject to the foregoing conditions, would constitute a full discharge of the bank’s liability. In such cases, payment to the survivor(s) / nominee of the deceased depositors will be made without insisting on production of succession certificate, letter of administration or probate, etc. or obtaining any bond of indemnity or surety from the survivor(s)/nominee, irrespective of the amount standing to the credit of the deceased account holder.

b. Accounts without the survivor/nominee clause

In case where the deceased depositor had not made any nomination or for the accounts other than those styled as “either or survivor” (such as single or jointly operated accounts), we will adopt a simplified procedure for repayment to legal heir(s) of the depositor keeping in view the imperative need to avoid inconvenience and undue hardship to the common person.

Keeping in view our risk management systems, we will fix a minimum threshold limit, for the balance in the account of the deceased depositors, up to which claims in respect of the deceased depositors could be settled without insisting on production of any documentation other than a letter of indemnity.

c. Premature termination of term deposit accounts

In the case of term deposits, we will incorporate a clause in the account opening form itself to the effect that in the event of the death of the depositor, premature termination of term deposits would be allowed. The conditions subject to which such premature withdrawal would be permitted would also be specified in the account opening form. Such premature withdrawal would not attract any penal charge.

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

In order to avoid hardship to the survivor(s) / nominee of a deposit account, we will obtain appropriate agreement / authorization from the survivor(s) / nominee with regard to the treatment of pipeline flows in the name of the deceased account holder. In this regard, we will consider adopting either of the following two approaches:

i. We could be authorized by the survivor(s) / nominee of a deceased account holder to open an account styled as ‘Estate of Shri ________________, the Deceased’ where all the pipeline flows in the name of the deceased account holder could be allowed to be credited, provided no withdrawals are made.
ii. We could be authorized by the survivor(s) / nominee to return the pipeline flows to the remitter with the remark “Account holder deceased” and to intimate the survivor(s) / nominee accordingly. The survivor(s) / nominee / legal heir(s) could then approach the remitter to effect payment through a negotiable instrument or through electronic transfer in the name of the appropriate beneficiary.

8.7.2 Time limit for settlement of claims
We will settle the claims in respect of deceased depositors and release payments to survivor(s) / nominee(s) within a period not exceeding 15 days from the date of receipt of the claim subject to the production of proof of death of the depositor and suitable identification of the claim(s), to the bank’s satisfaction.

8.8 Safe Deposit Lockers
We will give you the complete details of the rules and the procedures applicable for the safe deposit lockers and also safe deposit of valuables, in case we offer the service.

8.9 Foreign Exchange Services
a. When you buy or sell foreign exchange, we will give you information on the services, details of the exchange rate and other charges which apply to foreign exchange transactions. If this is not possible, we will tell you how these will be worked out.

b. If you want to transfer money abroad, we will tell you how to do this and will give you:
   i. a description of the services and how to use them
   ii. details of when the money you have sent abroad should get there and the reasons for delays, if any
   iii. the exchange rate applied when converting to the foreign currency (if this is not possible at the time of the transaction, we will let you know later what the rate is)
   iv. details of any commission or charges, which you will have to pay and a warning that the person receiving the money may also, have to pay the foreign bank’s charges.

c. We will tell you if the information provided by you for making a payment abroad is adequate or not. In case of any discrepancies or incomplete documentation, we will advise you immediately and assist you to rectify/complete the same.
d. If money is transferred to your bank account from abroad, we will tell you the original amount received and charges if any levied. If the sender has agreed to pay all charges, we will not take any charges when we pay the money into your account.

e. We will guide you about regulatory requirements or conditions relating to foreign exchange services offered by us as and when requested by you.

f. In case of delay beyond the day when the amount is due for credit, you will be compensated (a) for any loss on account of interest for due period beyond the due date and (b) also for adverse movement of forex rate as per the Compensation Policy of the bank.

g. All certificates required to be issued under regulatory/statutory instructions will be issued free of charge.

8.10 Remittances Within India
If you want to remit money within India we will inform you how to effect it and will:

a. give description of services and how to use them

b. suggest to you the best way to send the money to suit your needs

c. disclose the details of all charges including commission that you will have to pay for the service as per the Tariff Schedule as amended from time to time. In case of any delay we will compensate you for the delay and any loss/ additional expense incurred by you.

8.11 Lending
Before we lend you any money or increase your overdraft, credit card limit or other borrowing, we will assess whether you will be able to repay it. If we cannot help you, we will communicate in writing the reason(s) for rejection of the loan application. If you want us to accept a guarantee or other security from someone for your liabilities, we may ask you for your permission to give confidential information about your finances to the person giving the guarantee or other security, or to their legal adviser.

We will also:

a. encourage them to take independent legal advice to make sure that they understand their commitment and the possible consequences of their decision (where appropriate, the documents we ask them to sign will contain this recommendation as a clear and obvious notice)

b. tell them that by giving the guarantee or other security they may become liable instead of, or as well as, you
c. tell them what their liability will be.

8.11.1 Loan Products

Applications for loans and their processing

a. At the time of sourcing a loan product, we will provide as part of the loan application form, information about the interest rates applicable whether floating rate or fixed rate, as also the fees/charges payable for processing, the amount of such fees refundable if loan amount is not sanctioned / disbursed, pre-payment options and charges, if any, penal rate of interest for delayed repayments, if any, conversion charges for switching your loan from fixed to floating rates or viceversa, existence of any interest reset clause and any other matter which affects the interest of the borrower, so that a meaningful comparison with those of other banks can be made and informed decision can be taken by you.

b. We shall invariably provide you with an acknowledgement of your loan application. We shall make every endeavour to indicate on your application the period within which you can expect to receive a decision on your request for loan.

c. We will give you the Most Important Terms and Conditions (MITC) governing the loan / credit facility you have availed. (See para 3.3 – Interest rates and para 8.15 – Insurance)

d. Normally all particulars required for processing the loan application will be collected by us at the time of application. In case we need any additional information we will contact you immediately.

e. We will provide you the sanction letter detailing particulars of amount sanctioned, terms and conditions (refer para 3.5), your responsibilities as well as the bank’s, etc.

f. We will provide you an amortisation schedule (schedule of repayment of principal and interest for the duration of the loan).

g. We will also inform you whether you have an option to let equated monthly instalments stay constant and increase tenure or vice-versa when the interest rate changes.

h. We will supply authenticated copies of all the loan documents executed by you at our cost along with a copy each of all enclosures quoted in the loan document.

i. We will give written receipt for all documents to title taken as security/ collateral for any loan as well as for dated/undated cheques received from you.

j. We will return the unpaid cheques / post dated cheques given by you on receipt of full amount representing the EMI / entire debt.
k. We will return to you all the securities / documents/title deeds to mortgaged property within 15 days of the repayment of all dues agreed to or contracted. If any right to set off is to be exercised for any other claim, we will give due notice with full particulars about the other claims and retain the securities/documents/title to mortgaged property till the relevant claim is settled/paid.

l. We will compensate you for any delay in return of securities / documents / title deeds to mortgaged property beyond 15 days of the repayment of all dues agreed to or contracted.

m. We will not discriminate on grounds of sex, caste and religion in the matter of lending. However, this does not preclude us from instituting or participating in schemes framed for different sections of the society.

n. We will process request for transfer of borrowal account, either from the borrower or from a bank/financial institution, in the normal course and convey our concurrence or otherwise within 21 days of receipt of request.

8.12 Guarantee
a. When you are considering to be a guarantor to a loan, we will tell you about:
   i. your liability as guarantor
   ii. the amount of liability you will be committing yourself to the bank
   iii. circumstances in which we will call on you to pay up your liability
   iv. whether we have recourse to your other monies in the bank if you fail to pay up as a guarantor
   v. whether your liabilities as a guarantor are limited to a specific quantum or they are unlimited
   vi. time and circumstances in which your liabilities as a guarantor will be discharged as also the manner in which we will notify you about this.

b. We will keep you informed of any material adverse change/s in the financial position of the borrower to whom you stand as a guarantor.

c. We will return to you all the securities / documents/title deeds to mortgaged property within 15 days of the repayment of all dues agreed to or contracted.
d. We will compensate you for any delay in return of securities / documents / title deeds to mortgaged property beyond 15 days of the repayment of all dues agreed to or contracted.

8.13 General Information
We will:

a. give you information explaining the key features of our loan and credit card products including applicable fees and charges while communicating the sanction of the loan/credit card

b. give you the Most Important Terms and Conditions (MITC) governing the loan / credit facility you have availed

c. advise you what information/documentation we need from you to enable you to apply. We will also advise you what documentation we need from you with respect to your identity, address, employment etc., and any other document that may be stipulated by statutory authorities (e.g. PAN details), in order to comply with legal and regulatory requirements.

d. verify the details mentioned by you in the loan / credit card application by contacting you at your residence and / or on business telephone numbers and / or physically visiting your residence and/or business addresses through agencies appointed by us for this purpose, if deemed necessary by us

e. if we offer you an overdraft, or an increase in your existing overdraft limit, tell you if your overdraft is repayable on demand or otherwise. We will, if required also advise about the method of calculation of overdrawn amount thereof and also the computation of interest on overdue loan amount

f. not offer any unsolicited pre-approved credit facility in any form, including enhancement of credit card limit and top up of personal loan limits, etc.

g. in case we offer/approve a credit facility over the telephone credit your account with the amount sanctioned only after receiving your acceptance in writing

h. in case we do so without your consent / bill you for the card for which you have not given your consent, we will not only reverse the charges forthwith but will also pay a penalty amounting to twice the value of the charges reversed.
8.14 Credit Card

8.14.1 General information
a. When you apply for card, we will explain the relevant terms and conditions such as fees and interest charges, billing and payment, method of computation of overdues, renewal and termination procedures, and any other information that you may require to operate the card.

b. We will give you a copy of the Most Important Terms and Conditions (MITC) at the time of application.

c. We will advise you of our targeted turn around time while you are availing / applying for a product / service.

d. We will send a service guide/member booklet giving detailed terms and conditions, losses on your account that you may be liable if your card is lost / misused and other relevant information with respect to usage of your card along with your first card.

e. We will provide ‘Online Alerts’ to you for all ‘card not present’ transactions of the value of Rs.5000/- and above.

f. If you do not recognize a transaction, which appears on your card statement, we will give you more details if you ask us. In cases, where we do not accept your contention we will give you evidence that you had authorized the transaction, in question.

8.14.2 Issuance of Credit Card / PIN
a. We will dispatch your credit card /PIN only to the mailing address mentioned by you or to the alternate address provided by you (if we are unable to deliver at the mailing address) through courier / post. Alternatively, if you desire we shall deliver your credit card/PIN at our branches after due identification.

b. We may also issue deactivated (not ready to use) credit card if we consider your profile appropriate for issuing credit card and such deactivated card will become active only after you take steps for activation as required and subject to such other conditions as may be specified.

c. In case we activate the card without your consent / bill you for the card for which you have not given your consent, we will not only reverse the charges forthwith but will also pay a penalty amounting to twice the value of the charges reversed.
d. We will extend a loan/credit facility/enhance credit limit on your card only with your consent in writing.

e. If the limit on your credit card is reduced, we will inform you immediately by SMS / e-mail followed by a confirmation in writing.

f. PIN (Personal Identification Number) whenever allotted, will be sent to you separately at your mailing address.

8.14.3 Credit card statements
a. To help you manage your credit card account and check details of purchases/cash drawings using the credit card, we will offer you free of cost a facility to receive credit card transaction details either via monthly mail and, if you so desire, also through the internet. Credit card statement will be dispatched on a predetermined date of every month free of cost at your mailing address.

b. In the event of non-receipt of this information, we expect you to get in touch with us so that we can arrange to resend the details to enable you to make the payment and highlight exception, if any, in a timely manner.

c. We will let you know / notify changes in schedule of fees and charges and terms and conditions. Normally, changes (other than interest rates and those which are a result of regulatory requirements) will be made with prospective effect giving notice of at least one month. The changes will be notified along with the monthly statement of account or copy thereof.

8.15 Insurance
a. We will inform you if we, as agents of any insurance company, offer any type of insurance on deposits and credit cards.

b. We will ensure that we have your written consent to avail these insurance products.

c. In case of securities lodged with us for loans availed by you, we will not insist on your obtaining insurance cover from any particular provider.

8.16 Mobile Banking
If you opt for mobile banking services we will, prior to your registration, for the service inform you of:

a. the security procedure adopted by us for user authentication and the legal risk, if any, associated with the same
b. the applicability or otherwise of stop payment instructions and the terms and conditions for the acceptance, if any, for the same.

8.17 Credit Counselling Facility
We will endeavour to provide credit counselling facility.

8.18 Getting Records
We will, on request, make available to you, at a cost, records pertaining to your transactions provided this is within the prescribed preservation period of such record.

9. PROTECTING YOUR ACCOUNTS

9.1 Secure And Reliable Banking And Payment Systems
We will co-operate as an industry so that you enjoy secure and reliable banking and payment systems you can trust.

We will install CCTV for close surveillance as part of security arrangements.

9.2 Keeping Us Up To Date
Please make sure you let us know as soon as possible when you change your:

a. Name

b. Address

c. Phone number

d. E-mail address (if this is how we communicate with you).

9.3 Checking Your Account
a. We recommend that you check your statement or passbook regularly. If there is an entry, which seems to be wrong, you should tell us as soon as possible so that we can investigate the same. Regular checks on direct debits and standing orders will help you be sure the money is going where you want it to.

b. If we need to investigate a transaction on your account, you should co-operate with us and with the police/ other investigative agencies if we need to involve them.
9.4 Taking Care
The care of your cheques, passbook, cards, PINs and other security information by you, is essential to help prevent fraud and protect your accounts. Please make sure that you follow the advice given below:

a. Do not
   i. keep your cheque book and cards together
   ii. keep the blank cheque leaves signed
   iii. allow anyone else to use your card, PIN, password or other security information
   iv. write down or record your PIN, password or other security information
   v. give your account details, password or other security information to anyone.

b. Always
   i. write clearly the name of the person you are paying the cheque to, if you send cheque through the post, it will help to prevent fraud. We will recommend that you write such cheques for instance with carbon paper on the reverse to avoid chemical alterations
   ii. choose your new PIN carefully, if you change your PIN
   iii. memorize your PIN, password and other security information, and destroy the written communication if any of the same as soon as you receive it
   iv. take reasonable steps to keep your card safe in your personal custody and your PIN, password and other security information secret at all times
   v. keep your card receipts safe and dispose them off carefully
   vi. write on the cheque the name of the account holder [ABC Bank Account - XYZ], if you are paying a cheque into a bank account. You should draw a line through unused space on the cheque so unauthorized person cannot add extra numbers or names.

c. We will advise you what you can do to protect your card/cheque book from misuse.

d. In the event your cheque book, passbook or ATM/Debit card has been lost or stolen, or that someone else knows your PIN or other security information, we will, on your notifying us, take immediate steps to try to prevent these from being misused.
e. It is essential that you tell us as soon as you can if you suspect or discover that your cheque book, passbook, card has been lost or stolen or someone else knows your PIN, password or other security information.

f. You could tell us about the loss by phone at our 24 hour toll free number given to you and send us a written confirmation to that effect immediately. Alternatively, you may advise us by e-mail to the address we have given you for this purpose.

g. You may be liable for misuses until the time that we have been notified.

9.5 Internet Banking
Online banking is safe and convenient as long as you take a number of simple precautions. Please make sure you follow the advice given below:
a. Visit our Internet banking site directly. Avoid accessing the site through a link from another site or an e-mail and verify the domain name displayed to avoid spoof websites.

b. Ignore any e-mail asking for your password or PIN and inform us of the same for us to investigate the same. Neither the police nor we will ever contact you to ask you to reveal your online banking or payment card PINs, or your password information.

c. We advise you not to use cyber cafés /shared PCs to access our Internet banking site.

d. We advise you to update your PC with latest anti-virus and spy ware software regularly. You may install security programmes to protect against hackers, virus attacks or malicious ‘Trojan Horse’ programmes. A suitable firewall installed in a computer to protect your PC and its contents from outsiders on the Internet is recommended.

e. Disable the ‘File and Printing Sharing’ feature on your operating system.

f. Log off your PC when not in use.

g. Do not store your ID/PIN in the Internet Explorer Browser.

h. Check your account and transaction history regularly.

i. Follow our advice - our websites are usually a good place to get help and guidance on how to stay safe online.

9.6 Cancelling Payments
If you want to cancel a payment or series of payments you have authorised, you should do the following:
a. To stop payment of a cheque or cancel standing instruction given, or a direct debit you must tell us in writing.

b. To cancel a direct debit, you must inform us. We recommend that you inform the originator of the direct debit also.

c. It may not be possible to cancel payments if you do not give notice of your decision to cancel.

d. Cancellation of credit card payments will be subject to other terms and conditions as may be stipulated.

9.7 Liability for Losses
a. If you act fraudulently, you will be responsible for all losses on your account. If you act without reasonable care, and this causes losses, you may be responsible for them.

b. Unless you have acted fraudulently or without reasonable care, your liability for the misuse of your card will be limited to the amount stipulated in the terms and conditions governing the issue of the card.

c. You may be liable for misuses on account of loss of your PIN or compromise of your password or of other secured information until the time that we have been notified and we have taken steps to prevent misuse.

10. MONITORING

The Banking Codes and Standards Board of India monitors the Code. The contact details are as follows:

The Banking Codes and Standards Board of India  
C-7, Reserve Bank of India Building,  
Bandra Kurla Complex, Mumbai-400051

Telephone: 022 - 26571096; Fax: 022 - 26573719  
E-mail : ceo.bcsbi@rbi.org.in Website: www.bcsbi.org.in
11. GETTING HELP

If you have any enquiries about the Code, you should contact us at our designated telephone helpdesk or customer service number or contact the Indian Banks’ Association at the following address.

Indian Banks’ Association
6th floor, Centre1 Building, World Trade Centre Complex, Cuffe Parade Mumbai-400005
E-mail:code@iba.org.in Website: www.iba.org.in

Or, contact the Banking Codes and Standards Board of India at the address above.

11.1 We will have notices in all our branches and on our website explaining that copies of the Code are available and how you can get one and that we will make a copy available to you on request.

12. REVIEW OF THE CODE

This Code will be reviewed within a period of three years. The review will be undertaken in a transparent manner.
Annexure-VIII

Model Policy for Grievance Redressal In Banks

Source: http://www.iba.org.in/Model%20Policy/b)

1. Introduction

In the present scenario of competitive banking, excellence in customer service is the most important tool for sustained business growth. Customer complaints are part of the business life of any corporate entity. This is more so for banks because banks are service organizations. As a service organization, customer service and customer satisfaction should be the prime concern of any bank. The bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones. This policy document aims at minimizing instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of customer complaints and grievances. The review mechanism should help in identifying shortcomings in product features and service delivery. Customer dissatisfaction would spoil bank’s name and image. The bank’s policy on grievance redressal follows the under noted principles.

 Yorkers Customers be treated fairly at all times
 Yorkers Complaints raised by customers are dealt with courtesy and on time
 Yorkers Customers are fully informed of avenues to escalate their complaints/grievances within the organization and their rights to alternative remedy, if they are not fully satisfied with the response of the bank to their complaints.
 Yorkers Bank will treat all complaints efficiently and fairly as they can damage the bank’s reputation and business if handled otherwise.
 Yorkers The bank employees must work in good faith and without prejudice to the interests of the customer.

In order to make bank’s redressal mechanism more meaningful and effective, a structured system needs to be built up towards such end. Such system would ensure that the redressal sought is just and fair and is permissible within the given frame-work of rules and regulation. The policy document would be made
available at all branches. The concerned employees should be made aware about the Complaint handling process.

1.1 The customer complaint arises due to;
   a. The attitudinal aspects in dealing with customers
   b. Inadequacy of the functions/arrangements made available to the customers or gaps in standards of services expected and actual services rendered. The customer is having full right to register his complaint if he is not satisfied with the services provided by the bank. He can give his complaint in writing, orally or over telephone. If customer’s complaint is not resolved within given time or if he is not satisfied with the solution provided by the bank, he can approach Banking Ombudsman with his complaint or other legal avenues available for grievance redressal.

2. Internal Machinery to handle Customer complaints/ grievances

2.1 Customer Service Committee of the Board

This sub-committee of the Board would be responsible for formulation of a Comprehensive Deposit Policy incorporating the issues such as the treatment of death of a depositor for operations of his account, the product approval process and the annual survey of depositor satisfaction and the trienniel audit of such services. The Committee would also examine any other issues having a bearing on the quality of customer service rendered. This Committee would also review the functioning of Standing Committee on Customer Service.

2.2 Standing Committee on Customer Service

The Standing Committee on Customer Service will be chaired by the Managing Director/ Executive Director of the bank. Besides two to three senior executives of the bank, the committee would also have two to three eminent non-executives drawn from the public as members. The committee would have the following functions.

☑ Evaluate feedback on quality of customer service received from various quarters. The committee would also review comments/feedback on customer service and implementation of commitments in the Code of Bank’s Commitments to Customers received from BCSBI.

☑ The Committee would be responsible to ensure that all regulatory instructions regarding customer service are followed by the bank. Towards this, the committee would obtain necessary feedback from zonal/regional managers/ functional heads.

☑ The committee also would consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice.
The committee would submit report on its performance to the customer service committee of the board at quarterly intervals.

2.3 Nodal Officer and other designated officials to handle complaints and grievances *

Bank would appoint a Nodal Officer of the rank of General Manager (or its equivalent) who will be responsible for the implementation of customer service and complaint handling for the entire bank. The bank may also appoint other designated officers at specified centres Customer Relation Officer at Zonal/Regional offices to handle complaint grievances in respect of branches following under their control. The name and contact details of nodal officer (s) will be displayed on branch notice boards.

[* Individual banks may decide on the appointment of officials at various levels to handle complaints and grievances depending upon its administrative structure/ channels used for delivery of product and services.]

3. Mandatory display requirements

It is mandatory for the bank to provide;

- Appropriate arrangement for receiving complaints and suggestions.
- The name, address and contact number of Nodal Officer(s)
- Contact details of Banking Ombudsman of the area
- Code of bank’s commitments to customers/Fair Practice code

4. Resolution of Grievances

Branch Manager is responsible for the resolution of complaints/grievances in respect of customer's service by the branch. He would be responsible for ensuring closure of all complaints received at the branches. It is his foremost duty to see that the complaint should be resolved completely to the customer's satisfaction and if the customer is not satisfied, then he should be provided with alternate avenues to escalate the issue. If the branch manager feels that it is not possible at his level to solve the problem he can refer the case to Regional or Zonal Office for guidance. Similarly, if Regional or Zonal office finds that they are not able to solve the problem such cases may be refereed to the Nodal Officer.

4.1 Time frame

Complaint has to be seen in the right perspective because they indirectly reveal a weak spot in the working of the bank. Complaint received should be analyzed from all possible angles. Specific time schedule may be set up for handling complaints and disposing them at all levels including branches, zonal and head
office. Branch manager should try to resolve the complaint within specified time frames, decided by the bank.

Communication of bank’s stand on any issue to the customer is a vital requirement. Complaints received which would require some time for examination of issues involved should invariably be acknowledged promptly. Branch and zonal office must send action taken report on complaints received to the head office at the end of every month.

5. Interaction with customers
The bank recognizes that customer’s expectation/requirement/grievances can be better appreciated through personal interaction with customers by bank’s staff. Structured customer meets, say once in a month will give a message to the customers that the bank cares for them and values their feedback/suggestions for improvement in customer service. Many of the complaints arise on account of lack of awareness among customers about bank services and such interactions will help the customers appreciate banking services better. As for the bank the feedback from customers would be valuable input for revising its product and services to meet customer requirements.

6. Sensitizing operating staff on handling complaints
Staff should be properly trained for handling complaints. We are dealing with people and hence difference of opinion and areas of friction can arise. With an open mind and a smile on the face we should be able to win the customer’s confidence. Imparting soft skills required for handling irate agitated customers, to be will be an integral part of the training programs schedule. It would be the responsibility of the Nodal Officer to ensure that internal machinery for handling complaints/grievances operates smoothly and efficiently at all levels. He should give feedback on training needs of staff at various levels to the HR Dept.
Annexure-IX

RBI Master Circular on Customer Service


2. Please acknowledge receipt of this Master Circular to the concerned Regional Office of this Department.

Yours faithfully,

(S.Karuppasamy)
Chief General Manager-in-Charge

Encl: As above.

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Master Circular on Customer Service

1 Introduction

The quality of customer service in primary (urban) co-operative banks has to be 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 RBI. RBI had set up in 1990 a Committee headed by Shri M.N.Goiporia, the then Chairman of SBI. The Committee had made various recommendations to ensure improvement in the customer service in the banks. In addition, RBI has also issued various guidelines on the subject in general and on such specific aspects relating to immediate credit for the outstation instruments sent for collection, payment of interest for delay in collection of instrument, adherence of time schedule in such matters as payment to customers, issue of DDs/TTs, issue of cheque
books, etc. Various instructions issued in this regard may be summed up as under:

i. Instructions issued on the basis of the Goiporia Committee

ii. Instructions relating to collection of local / outstation instruments

iii. Other instructions

2 Recommendations of the Goiporia Committee

Work Culture, Discipline and Attitude

2.9 Identity badges

Each employee may 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 with the customers.

2.10 Job enrichment

Much of the indifference and casual approach towards customer service can be attributed to job monotony and the work environment. In order to promote greater involvement of employees in their work and to prevent alienation, job enrichment in the form of periodic change of department and allocation of jobs carrying higher responsibilities is necessary. Elementary checking functions such as authentication of pass books/issuance of receipts for cheques deposited for credit to the customers' accounts etc., would not only make useful contribution towards customer service but also would give a boost to the morale and self image of the employees.

2.11. Training

It is essential to align the training programmes to the needs in various areas with an eye on customer service. The employees should be trained to develop the right kind of attitude towards customer service, and empathy towards customer needs and
expectations. Training programmes may be so devised as to bring about positive attitudinal changes compatible to customer orientation.

2.12 Induction training

Training to new recruits should be a precursor to other follow-up training programmes. All new recruits, i.e. clerks/officers should be necessarily exposed to induction programme immediately after recruitment. A co-ordinated approach amongst banks is required in this regard.

2.13 Reward and recognition

Good work must be rewarded. The system of reward/recognition should be such that it puts an indifferent employee to a considerable disadvantage - psychologically and even financially. Only if the reward scheme is objectively enunciated, employees will be motivated to perform better. Indifferent and casual approach to work (customer service) should not go unnoticed, giving such employees wrong signals. It is but proper that disservice to customers is treated as delinquency. Banks should evolve a fair system whereby employees are gauged or rated in the area of customer service and good work is rewarded. Any system that is evolved should necessarily be objective and no room should be left to subjectivity of any kind. Any reward/recognition scheme of incentive will need to be tailored, with an eye on the ultimate goal of customer service.

2.14 Systems and procedures

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

2.15 Customer service audit

Various facets of service to the customers need review and introduction of more avenues has to be identified. Banks may subject themselves to an audit approach towards their customer service points at grassroot levels and also at policy prescription and macro levels in the matter of extension of customer service.

2.16 Complaint book

A Complaint cum Suggestion Box may be kept in the bank premises at a prominent place. Every bank branch may also maintain a Complaint Book with adequate number of
perforated copies in each set, so designed as to instantly provide the complainant with an acknowledged copy of the complaint.

2.17 Inspection/Audit reports

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

2.18 Complaint prone employees

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

2.19 Periodical visits by senior officials

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

2.20 Infrastructure provision

Banks may bestow 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.

2.21 Customer education

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

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

2.23 Display of time norms

Time norms for specified business transactions should be displayed prominently in the banking hall so that it attracts the customers' attention as well as that of the employees for adherence.
### Annexure-X

**Ethical Techniques for Dealing with Customers**

<table>
<thead>
<tr>
<th>State of mind of customer</th>
<th>Behavioural indicators</th>
<th>Possible causes</th>
<th>Techniques for counteracting</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Anger - a state of extreme displeasure</strong></td>
<td>Choice of language tends to aggressiveness</td>
<td>Promise not kept</td>
<td>Recognise that anger though directed at you is caused by a situation which needs to be 'put right' in customer’s perception</td>
</tr>
<tr>
<td></td>
<td>Loudness of language</td>
<td>Mistake in procedure</td>
<td>Listen for clues as to cause of anger</td>
</tr>
<tr>
<td></td>
<td>Quick breathing</td>
<td>Behaviour of bank employees</td>
<td>Remain calm</td>
</tr>
<tr>
<td></td>
<td>Not permitting interruptions</td>
<td>Prolonged waiting</td>
<td>Convey sympathy with neutral phrases e.g. ‘I see’; ‘I understand’; ‘You must be upset’</td>
</tr>
<tr>
<td></td>
<td>Piling complaint on complaint ('and another thing')</td>
<td>Personal circumstances</td>
<td>Reduce the emotional level by promising to enquire and to phone bank within an agreed time-frame</td>
</tr>
<tr>
<td></td>
<td>Visual</td>
<td></td>
<td>If customer is abusive say firmly that you want to help but that it is in both parties interest that you terminate the call and will call back</td>
</tr>
<tr>
<td></td>
<td>Penetrating stare causing the lids to tense</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brows lowered and drawn together</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Lips pressed together or opened and pushed forward</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Critical – a state of fault-finding</strong></td>
<td>Oral Tone (cool or aggressive)</td>
<td>Expectations not met</td>
<td>Do not interrupt</td>
</tr>
<tr>
<td></td>
<td>Choice of words</td>
<td>Promises not met</td>
<td>Apologies even if criticism unjustified ('I’m sorry you felt you had to ring us’)</td>
</tr>
<tr>
<td></td>
<td>Impersonal approach</td>
<td>Mistake in procedure</td>
<td>Promise and specify speedy action if criticism justified</td>
</tr>
<tr>
<td></td>
<td>Visual</td>
<td>Ignorance of procedure</td>
<td>Offer specific or general help ('Is there anything we can do in the meantime?')</td>
</tr>
<tr>
<td></td>
<td>Momentary closing of eyes</td>
<td>Misunderstanding</td>
<td>Thank customer for bringing matter to your notice</td>
</tr>
<tr>
<td></td>
<td>Raising of shoulders</td>
<td></td>
<td>Summarise the main action to be taken</td>
</tr>
<tr>
<td><strong>Frustration – a state of discontentment through inability to achieve one’s desires</strong></td>
<td>Oral Choice of language</td>
<td>Unrealistic expectations</td>
<td>Listen</td>
</tr>
<tr>
<td></td>
<td>Tone (pleading or aggressive)</td>
<td>Fault in procedures</td>
<td>Indicate sympathy</td>
</tr>
<tr>
<td></td>
<td>Emphasis on time-spans / deadlines</td>
<td>Unkept promises</td>
<td>Empathise – ‘It must have been annoying’</td>
</tr>
<tr>
<td></td>
<td>Eagerness to establish rapport with service provider</td>
<td>Time pressures</td>
<td>Commit yourself to doing something – even if it is only phoning back</td>
</tr>
<tr>
<td></td>
<td>Visual</td>
<td>Being passed from department to department</td>
<td>Explore alternative ways of removing/reducing the frustration level – ‘Would it help if we….?’</td>
</tr>
<tr>
<td></td>
<td>Finger tapping</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Eyes looking upwards</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ignorance – a state of lacking knowledge and understanding of a subject</td>
<td>Oral</td>
<td>Lack of familiarity with financial matters</td>
<td>Put at ease</td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td>Choice of language</td>
<td>Unable to understand jargon</td>
<td>Reassure customer that their ignorance is common. ('Most people have problems with that')</td>
<td></td>
</tr>
<tr>
<td>Tone (subservient or aggressive)</td>
<td>Physical disability hearing / sight</td>
<td>Give concise answers and check understanding frequently ('To check that I have explained things properly; would you please summarise the main points as you understand them?')</td>
<td></td>
</tr>
<tr>
<td>Expressions of low self-esteem</td>
<td>Low literacy</td>
<td></td>
<td></td>
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<tr>
<td>Lots of questions</td>
<td></td>
<td></td>
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<tr>
<td>Pauses after receiving answers</td>
<td></td>
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<tr>
<td>Visual Fidgeting</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Looking downwards</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Remorse – a state of bitter regret for a wrong doing or mistake</th>
<th>Oral</th>
<th>Overcommitted financially</th>
<th>Listen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Choice of language</td>
<td>Has work type of loan for current needs</td>
<td>Put at ease</td>
<td></td>
</tr>
<tr>
<td>Tone</td>
<td>Failure to admit ignorance</td>
<td>Use 'para-linguistics' to indicate your interest e.g. 'Uhms'; 'Ohs'; 'Ahs'</td>
<td></td>
</tr>
<tr>
<td>Emphasis on personal feelings</td>
<td>Previous bad behaviour now seen to be unjustified</td>
<td>Reduce guilt feelings by reassuring that this is not a unique situation</td>
<td></td>
</tr>
<tr>
<td>Confessional approach ('I need to get this off my chest')</td>
<td></td>
<td>Suggest ways of reducing guilt and maintaining self-esteem</td>
<td></td>
</tr>
<tr>
<td>Quieter voice than normal</td>
<td></td>
<td>('Why not reduce your payments and then increase them when things get better?')</td>
<td></td>
</tr>
<tr>
<td>Visual Avoiding eye contact</td>
<td></td>
<td>Offer alternative courses of action wherever possible</td>
<td></td>
</tr>
<tr>
<td>Wringing of hands</td>
<td></td>
<td>Maintain regular contact to make customer feel wanted and correct in original decision</td>
<td></td>
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<tr>
<td>Touching face</td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Worry – a state of lacking peace of mind</th>
<th>Oral</th>
<th>Personal problems</th>
<th>Listen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Choice of language</td>
<td>Stress</td>
<td>Convey some of professionalism and stewardship</td>
<td></td>
</tr>
<tr>
<td>Tone</td>
<td>Insecurity</td>
<td>Seek to identify core cause of worry without appearing to pry</td>
<td></td>
</tr>
<tr>
<td>Chattering</td>
<td>Ill health</td>
<td>Convey sympathy</td>
<td></td>
</tr>
<tr>
<td>Lack of listening</td>
<td>Financial problem</td>
<td>Highlight alternative courses of action</td>
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</tr>
<tr>
<td>Visual Foot jabbing</td>
<td></td>
<td>Promise a follow-up call, 'to see how things are going'</td>
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<tr>
<td>Clasping of hands</td>
<td></td>
<td>Show caring by offering to perform a small task which means a lot to the customer.</td>
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<tr>
<td>Staring at some object</td>
<td></td>
<td>'Don’t worry; I’ll phone X and ask them to get in touch with you'</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grief – a state of deep sorrow</th>
<th>Oral</th>
<th>Death</th>
<th>Listen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Choice of language</td>
<td>Serious illness</td>
<td>Do not rush conversation</td>
<td></td>
</tr>
<tr>
<td>Tone (subdued)</td>
<td>Separation or other unpleasant life-change</td>
<td>Accept longer than usual pauses before seeking an answer</td>
<td></td>
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<tr>
<td>Long pauses</td>
<td></td>
<td>Convey sympathy in an unforced manner</td>
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<tr>
<td>Crying ‘Swallowing’ words</td>
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<tr>
<td>Deep breathing</td>
<td>Empathise – ‘I know how you must be feeling’</td>
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<td>---------------</td>
<td>-----------------------------------------------</td>
<td></td>
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<tr>
<td>Visual</td>
<td>Display sensitive firmness when required.</td>
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<tr>
<td></td>
<td>‘I fully understand that this is a difficult</td>
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<tr>
<td></td>
<td>time to be asking these questions but unless</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>we have the answers we cannot...’</td>
<td></td>
<td></td>
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<tr>
<td>Weeping</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wringing of hands</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Distant look</td>
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</tbody>
</table>

Give option to deal with situation in several stages ('if you prefer we can leave it for the moment and talk some more tomorrow – what would be a convenient time for me to phone?')