# THE BANASKANTHA MERCANTILE CO-OPERATIVE BANK LTD. PALANPUR.

# Citizen's Charter - A Charter for Customer Services

# THE BANASKANTHA MERCANTILE CO-OPERATIVE BANK LTD.

## Index

## 1. Vision

To build a premier Urban Co-Operative Bank in India, building on our foundation of over ₹1,000 crore in deposits, and founded on the principles of Ethical, Digital, and Cooperative Banking.

## 2. Applicability of the Charter

This Charter applies to all services offered by The Banaskantha Mercantile Co-Operative Bank Ltd. - across branches, mobile platforms and phone banking. It outlines the bank's commitments, customer rights, service standards, grievance redressal mechanisms, and customer responsibilities.

## 3. Customer Rights

• Right to Fair Treatment: No discrimination based on gender, age, caste, religion, or ability.

• Right to Transparency: Clear, honest communication of product terms, risks, and charges.

• Right to Suitability: Products tailored to customer needs and financial understanding.

• Right to Privacy: Protection of personal and financial data.

• Right to Grievance Redressal: Accessible and fair complaint resolution mechanisms.

## 4. Product/Services Offered

• Accounts: Savings, Current, Term Deposit, Recurring Deposit.

• Loans: Home, Mortgage, Auto, Business, Education, Cattle, Project, Pledge, CC-HYP, Personal, Gold Loans.

• Cards: ATM cum Debit Card.

• Digital Banking: Mobile App.

• Third Party Product and Investments: Insurance, Government Sponsored Schemes.

• Services: ATM, Lockers, Remittances, Payments etc.

## 5. Fair Banking Practices

Customers are requested to:

• Ensure safe custody of cheque books, account statements, and other sensitive documents.

• Issue crossed/account payee cheques wherever possible to enhance security.

• Verify cheque details before issuance - including date, amount in words and figures, and crossing. Prefer rounding off amounts to the nearest rupee.

• Avoid issuing cheques without sufficient balance and maintain the minimum balance as specified by the Bank.

• Send cheques and financial instruments via Registered Post or a reliable courier service or in person.

• Utilize the nomination facility for all eligible accounts and lockers.

• Safeguard account and locker details, fixed deposit receipts, and ensure confidentiality of all banking information.

• Never share passwords, PINS, OTPs, or CVV numbers. Avoid clicking on suspicious links or downloading files/apps from unknown sources.

• Provide accurate personal details (name, address, contact number) and promptly update the Bank in case of any changes.

• Immediately report the loss of demand drafts, fixed deposit receipts, cheque leaves/books, or locker keys to the Bank.

• Use standing instructions for recurring transactions to avoid delays or missed payments.

• Share feedback on services to help the Bank improve customer experience.

• Pay dues on time, including interest, loan instalments, locker rent, and other charges.

## 6. Comprehensive Deposit Policy

The Comprehensive Deposit Policy outlines the guiding principles in respect of formulation of various deposit products offered by the Bank and terms and conditions governing the conduct of the account. The policy recognizes the rights of depositors and aims at dissemination of information with regard to various aspects of acceptance of deposits from the members of the public, conduct and operations of various deposits accounts, payment of interest on various deposit accounts, closure of deposit accounts, method of disposal of deposits of deceased depositors, etc., for the benefit of customers. It is expected that the policy will impart greater transparency in dealing with the individual customers and create awareness among customers of their rights.

### Types of Deposit Accounts

While various deposit products offered by the Bank are assigned different names, the deposit products can be categorized broadly into the following types:

1. "Demand Deposits" means a deposit received by a bank, which is withdrawable on demand.

2. "Savings Deposits" means a form of interest bearing demand deposit which is a deposit account whether designated as 'Savings Account', 'Savings Bank Account', 'Savings Deposit Account', 'Basic Savings Bank Deposit Account (BSBDA)' or other account by whatever name called which is subject to the restrictions as to the number of withdrawals as also the amounts of withdrawals permitted by a bank during any specified period.

3. "Term Deposit" means an interest-bearing deposit received by a bank for a fixed period and shall also include deposits such as Recurring / Cumulative / Annuity / Reinvestment deposits and Cash Certificates.

4. "Current Account" means a form of non-interest bearing demand deposit where from withdrawals are allowed any number of times depending upon the balance in the account or up to a particular agreed amount and shall also be deemed to include other deposit accounts which are neither Savings Deposit nor Term Deposit.

**Account Opening and Operation of Deposit Accounts**

The Bank before opening any deposit account will carry out due diligence as required under "Know Your Customer" (KYC) guidelines issued by RBI Anti-Money Laundering rules and regulations and or such other norms or procedures adopted by the Bank/as per the Customer Acceptance Policy of the Bank. If the decision to open an account of a prospective depositor requires clearance at a higher level, reasons for any delay in opening of the account will be informed to the customer and the final decision of the Bank will be conveyed at the earliest to the customer.

**Interest Payments**

• Interest rate shall be paid on savings account and term deposit as decided by the Bank within the general guidelines issued by the Reserve Bank of India from time to time.

• In terms of Reserve Bank of India directives, interest shall be calculated at quarterly intervals on term deposits and paid at the rate decided by the Bank depending upon the period of deposits.

• The rate of interest on deposits are displayed in the branch and on the bank website.

• The Bank has statutory obligation to deduct tax at source if the total interest paid / payable on all term deposits held by a person exceeds the amount specified under the Income Tax Act. The Bank will issue a tax deduction certificate (TDS Certificate) for the amount of tax deducted.

**Minors Account**

The minor can open Savings Bank Account and the same can be operated by the natural guardian or by minor himself / herself, if he/she is above the age of 10 years. On attaining majority, fresh operating instructions and specimen signature of the account holder will be obtained. Minor accounts are not allowed to be overdrawn and always need to be in credit balance.

**Account of Senior Citizens**

The senior citizens who have completed the age of 60 years can open a senior citizen savings account with the bank.

**Account of Illiterate / Customers with Special Needs & Person with Disability**

The bank opens Savings/Current account for customers who are visually impaired / illiterate / incapacitated / sick / old / disabled and persons with Autism, Cerebral Palsy, Mental Illness, Mental Disabilities, Mental Retardation. Appropriate facilities (like thumb impression verification with witnesses, or Guardian/Manager mandates) are provided.

**Settlement of Dues in Deceased Deposit Account**

If the depositor has registered nomination with the Bank; the balance outstanding in the account of the deceased depositor will be transferred to the account of / paid to the nominee after the Bank satisfies about the identity of the nominee, etc. In the absence of nomination and when there are no disputes among the claimants, the Bank will pay the amount against joint application and indemnity by all legal heirs up to the limit approved by the bank's board.

**Insurance Cover for Deposits**

All bank deposits are covered under the insurance scheme offered by Deposit Insurance and Credit Guarantee Corporation of India (DICGC) subject to certain limits and conditions. Each depositor in a bank is insured up to a maximum of Rs. 5,00,000 (Rupees Five Lakh) for both principal and interest amount held by him in the same right and same capacity.

**Stop Payment Facility**

The Bank provides customers the option to stop payment on cheques issued, ensuring control and security over transactions.

**Continuous Clearing**

As per the Reserve Bank of India (RBI) circular, banks will implement Continuous Clearing and Settlement on realization under the Cheque Truncation System (CTS).

**Inoperative Accounts**

A savings and current account shall be treated as inoperative, if there are no 'customer induced transactions' in the account for a period of over two years.

**Unclaimed Deposits / Depositor Education and Awareness Fund Scheme (DEAF)**

Unclaimed deposit account means accounts, which have not been operated upon for ten years. The credit balance in any such account maintained with banks, needs to be transferred to Depositors Education and Awareness Fund (DEAF). The depositor would, however, be entitled to claim from the Bank his/her deposit or any other unclaimed amount or operate his/her account after the expiry of ten years. The details of the DEAF deposit accounts is accessible on the bank web-site.

**Basic Savings Bank Deposit Account (BSBDA)**

This account shall not have the requirement of any minimum balance. Holders of 'Basic Savings Bank Deposit Account' will not be eligible for opening any other savings bank deposit account in the Bank.

**Frequent Dishonor of Cheques Policy**

In cases of repeated dishonour of cheque of any value due to financial reasons, the Bank may initiate appropriate measures such as caution advisories, restriction on cheque book issuance and termination of the banking relationship.

**Schedule of Charges (SoC)**

The Bank has stipulated schedule of charges for various services offered to customers. The schedule of charges will be hosted on the website of the Bank and any changes thereto shall be suitably communicated in advance to the customers as per the extant RBI guidelines.

## 7. Safe Deposit Lockers

The facility of Safe Deposit Lockers is an ancillary service offered by the Bank at select branches. The allotment of Safe Deposit Lockers will be subject to availability and compliance with other terms and conditions attached to the service.

## 8. ATM Services

ATMs will render services 24 hours a day, 7 days a week. Cash withdrawal facility will be available at all ATM locations. The bank also provides both cash deposit & withdrawal facility in Cash Recycler Machine which is available at select branches.

## 9. Remittance Services

Customers may remit funds from one center to another center using RTGS, NEFT, IMPS, or by obtaining Demand Drafts, subject to applicable charges. For Demand Drafts of ₹50,000 and above, these will be issued only by debiting the customer's account or against a cheque; cash payments for such drafts will not be accepted.

## 10. Cheque Collection Service

The bank offers efficient cheque collection services for both local and outstation cheques through CTS clearing and correspondent arrangements. Local cheques deposited before the branch cut-off are presented in the same day clearing cycle.

## 11. Loans and Advances

All pricing and non-pricing terms and conditions of loans shall strictly conform to applicable regulatory guidelines and accurately reflect the risks involved. Loan Statements will be issued periodically to borrowers, detailing loan disbursements, demands, repayments, interest charged, and applicable fees. The Rate of Interest of all loan products are displayed on the bank web-site.

## 12. Third Party Products / Wealth Products

The Bank offers distribution of specific third-party products to support customer financial inclusion:

• Govt Sponsored Schemes: The Bank is authorized to distribute Atal Pension Yojana (APY).

• PM Insurance Scheme: The Bank is distributing PM Insurance Schemes (Pradhan Mantri Suraksha Bima Yojana and Pradhan Mantri Jeevan Jyoti Bima Yojana). Both are linked directly to the savings bank account.

## 13. Digital Banking & Alerts

• 24x7 access via mobile banking app.

• SMS alerts for transactions and account updates.

• Monthly Statement Alert on E-Mail having registered e-mail id with bank.

## 14. Customer Information

Customer information collected at the time of account opening may be used for offering relevant products and services of the Bank. Such use will be subject to the account holder's explicit consent.

## 15. Secrecy of Customers Accounts

The Bank shall not disclose any details of a customer's account to third parties without the customer's express or implied consent. Exceptions include disclosures mandated by law or disclosures made in the public interest.

## 16. Service Standards

| Service | Timings |
|---|---|
| Account opening (CASA, TD) | 2-3 working days |
| Account closure | 1 working days |

| | |
|---|---|
| Issue of Passbook / Balance Certificate | 10 Mins |
| Cash Deposit* / Cash Withdrawal* | 5 Mins |
| Issuance of Demand Draft / Pay Order | 15 Mins |
| Fund Transfer (to own Bank Account) | 5 Mins |
| Cheque Stop Payment Request | Over the Counter |
| Hotlist ATM / Debit / Credit Card | 1 Working Day |
| NEFT / RTGS | 7 Mins |
| Submission of Form 15G/15H | 1 Working Day |
| Deceased Claim Settlement | 15 days |

* Cash Deposit and cash withdrawal time may vary depending on the denomination and the amount.

## 17. Redressal of Complaints and Grievances

Grievance Redressal Policy has been framed in accordance with prescriptions and directions as stated in various regulatory guidelines/frameworks relevant to Customer Service. The policy is applicable to all branches of the Bank, outsourced employees, and all enabled transaction channels. The detailed Grievance Redressal policy and the grievance redressal matrix can be accessed through the Bank's website.

## 18. Policy Review Frequency

The policy shall be reviewed at least annually, or more frequently if required, to reflect changes in business needs or regulatory guidelines. Any amendments issued by regulatory authorities shall override existing provisions from the effective date specified in such directives.