

NSDL Payments Bank Limited

Customer Protection and Compensation Policy

NSDL Payments Bank Limited

Customer Service & Grievance Redressal Policy

Version 2.2

NSDL Payments Bank Limited

Customer Protection and Compensation Policy

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1	05-Aug-20	2.0	4.6	Customer Awareness of Account Security	Addition	Customer Service Team
2	05-Aug-20	2.0	4.9	Separate e-mail ID for handling fraud cases fraud@nsdlbank.co.in to handle queries/notices received from LEA/banks	Addition	Customer Service Team
3	05-Aug-20	2.0	4.15	The customer continuity plan for meeting emergency situations	Addition	Customer Service Team
4	05-Aug-20	2.0	4.15	Capturing of "moments of truth" from customer interactions on Social Media	Addition	Customer Service Team
5	05-Aug-20	2.0	4.15	Punchline for customer service across channels – "We Serve to win your Trust"	Addition	Customer Service Team
6	24-Apr-21	2.1	4.8	Changed the format of reporting customer and RBI BO queries/complaints as per the latest RBI Regulation under Analysis and Disclosure of complaints	Amended	Customer Service Team
7	24-Apr-21	2.1	4.9	Changed fraud@nsdlbank.co.in to leadesk@nsdlbank.co.in	Amended	Customer Service Team
8	24-Apr-21	2.1	4.8	Dealing with Complaints and Improving Customer Relations: updated the levels of complaints redressal	Amended	Customer Service Team
9	24-Apr-21	2.1	4.4	Acceptance of Cash Deposits: Updated "Bank will ensure.." to "Bank may ensure.."	Amended	Customer Service Team
10	24-Apr-21	2.1	Page 33	Added a footnote regarding Branch Manager role	Addition	Customer Service Team
11	19-July-21	2.2	Page 5	Deleted BC level customer service committee	Amended	Customer Service Team

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1. Policy Usage Guide

This section explains the structure of the policy document and the purpose of the same is to enable easy navigation and understanding of the contents of the document by various stakeholders. The Policy is organized in the following sections:

Regulatory reference

This section outlines the list of applicable regulations to the current policy document. The name of regulation issued by various regulators along with the date and reference number will be listed under this section.

The purpose of the same is to enable various stakeholders in identification of applicable regulations for the policy and act as a ready reference for the regulations.

Key stakeholders and roles

Under this section, a list of all the key stakeholders involved in the design, review, approval and implementation of the policy are identified and the major roles to be performed by them are listed. This section enables various stakeholders in understanding their respective roles regarding the current policy document.

Frequently asked questions

This section lists down the frequently asked questions with respect to the current policy document from the perspective of various stakeholders and gives a reference to the relevant section of the policy to aid in clear understanding of the question.

Policy content

This section contains various aspects of the policy design and implementation as per the applicable regulatory guidelines. This section outlines the action required by various stakeholders of the Bank in ensuring implementation of the policy.

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2. Regulatory Reference

The following key regulation is applicable to the current policy document.

Regulator	Regulation Name	Regulation Date	Regulation Code
RBI	Master Circular on Customer Service in Banks	July 1, 2015	RBI/2015-16/59 DBR No.Leg.BC. 21/09.07.006/2015-16

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3. Key Stakeholders and Roles

Matters relating to customer service are deliberated by the Board to ensure that the instructions are implemented meaningfully. Commitment to hassle-free service to the customer at large and the Common Person under the oversight of the Board will be the major responsibility of the Board. The key appointments that NSDL Payments Bank will ensure are:

Customer Service Committee of the Board

NSDL Payments Bank will constitute a Customer Service Committee of the Board that includes experts and representatives of customers as invitees which will enable the bank to formulate policies and assess the compliance thereof internally with a view to strengthening the corporate governance structure in the banking system and also bring about ongoing improvements in the quality of customer service provided by the bank.

Branch Level Customer Service Committee:

NSDL Payments Bank will establish Customer Service Committee at Branch level to encourage a formal channel of communication between the customers and the Bank at the Branch. The Branch Level Customer Service Committee may meet at least once a month to study complaints/ suggestions, cases of delay, difficulties faced/ reported by customers / members of the Committee and evolve ways and means of improving customer service. The Branch Level Committees may also submit quarterly reports giving inputs/suggestions to the Standing Committee on Customer Service thus enabling the Standing Committee to examine them and provide relevant feedback to the Customer Service Committee of the Board for necessary policy / procedural action.

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4. Policy Content

4.1 Policy for General Management of Branches & BC Points

The bank will have a Board approved policy for general management of the branches/BC outlets which includes the following aspects-

- Bank will establish Banking outlets for furthering financial inclusion, from which BCs may operate. These outlets may be in the form of low-cost simple structures.
- Ultra-Small Digital Branches may be set up by the Bank, which will have minimum infrastructure managed full time by bank employee.
- Use of Hindi and regional languages in transacting business by bank with customers, including communications to customers.
- Employee training in line with customer service orientation and technical areas of banking to the staff at delivery points.
- Visit by senior management team to branches/BC points at periodical intervals for on-the-spot study of the quality of service rendered by the branches/BC points.
- Reward the best branches/BC Points from customer service point of view by annual awards/recognition.
- The Bank has a New Product and Services Approval Process through ERM (Executive Risk Management Committee) which would require approval before any new launch or change in the product or service.

4.2 Board approved policies on Customer Service

For NSDL Payments Bank, customer service is a priority objective along, growth and fulfillment of social obligations. Bank will have a Board approved policy for Deposit and compensation.

Comprehensive Deposit and Compensation Policy

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Bank shall formulate a transparent and comprehensive deposit and compensation policy setting out the rights of the depositors in general and the compensation framework. The policy will cover all aspects of operations of deposit accounts, charges levied and other related issues to facilitate interaction of depositors at branch/BC point levels including compensation for

1. Erroneous Debits arising on fraudulent or other transactions.
2. Other unauthorized actions of the bank leading to a financial loss to customer.

Customer Awareness of Bank Policies

Bank will ensure that customers are made aware of the above policies by placing them prominently on the website, Mobile sites and Mobile App, displaying them on the notice board in their branches/BC points. The customers would be clearly apprised of the assurances of the bank on the services on these aspects at the time of establishment of the initial relationship be it as a depositor, or otherwise. Further, the bank will take necessary steps to keep the customers duly informed of the changes in the policies formulated by them from time to time.

4.3 Financial Inclusion

Basic Savings Bank Deposit Account (BSBDA)

Bank will offer a 'Basic Savings Bank Deposit Account' which will have following facilities:

1. The 'Basic Savings Bank Deposit Account' is considered a normal banking service available to all.
2. This account will not have the requirement of any minimum balance.
3. The services available in the account will include deposit and withdrawal of cash at bank branch/agent location as well as ATMs; receipt / credit of money through electronic payment channels.
4. No limit on the number of deposits that can be made in a month, but account holders will be allowed a maximum of four withdrawals in a month, including ATM withdrawals.
5. Bank would issue an ATM/Debit card to such account holders.

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6. The above facilities will be provided without any charges. Further, no charge will be levied for non-operation / activation of in-operative 'Basic Savings Bank Deposit Account'.
7. Bank will formulate a pricing structure for additional value-added services beyond the stipulated basic minimum services on reasonable and transparent basis and applied in a non-discriminatory manner.
8. The 'Basic Savings Bank Deposit Account' would be subject to RBI instructions on Know Your Customer (KYC) / Anti-Money Laundering (AML) for opening of bank accounts issued from time to time. If such account is opened on the basis of simplified KYC norms, the account would additionally be treated as a 'Small Account'.
9. Holders of 'Basic Savings Bank Deposit Account' will not be eligible for opening any other savings bank deposit account in that bank. If a customer has any other existing savings bank deposit account in that bank, he / she will be required to close it within 30 days from the date of opening a 'Basic Savings Bank Deposit Account'.

IT-enabled Financial Inclusion

Bank will ensure to scale up their financial inclusion efforts by utilizing appropriate technology with focus on digital enablement. It will be ensured that the solutions developed are:

- Highly secure,
- Amenable to audit

Rights of Transgender Persons – Changes in bank forms/ applications etc.

Bank will ensure to include 'third gender' in all forms/applications etc. prescribed by the Reserve Bank or the bank themselves, wherein any gender classification is envisaged.

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4.4 Opening / Operation of Deposit Accounts

Savings Bank Rules

The Savings Bank Rules will be communicated as an email or tear-off portion to the account opening form (Current Accounts Only and Savings Account in case opened using Physical Account opening form) to the user so that the account holder can retain the rules.

Photographs of depositors/authorized signatories/authorized persons

Bank will obtain and keep on record photographs received from UIDAI as a part of Aadhaar based Authentication (E-KYC), CERSAI (CKYC) or physical photographs (Current Accounts Only and Savings Account in case opened using Physical Account opening form) of all depositors/account holders/authorized signatories in respect of accounts opened by them subject to the following clarifications:

- The instructions cover all types of deposits.
- They apply to all categories of depositors.
- The banks will obtain photographs of all persons authorized to operate the accounts viz., Savings Bank and Current Accounts without exception.

Only banks, Local Authorities and Government Departments (excluding public sector undertakings or quasi-Government bodies) will be exempt from the requirement of photographs.

- The banks will also obtain photographs of the 'Pardanishin' women.
- The Bank will use Aadhar based authentication and CKYC to open Bank Accounts. The bank will upload all necessary data in CKYC and will also use the data available in CKYC for KYC. The Bank will comply with all regulations and guidelines on Aadhar (UIDAI), CKYC (CERSAI) and RBI.

Minimum Balance in Savings/Current Bank Accounts

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At the time of opening the accounts, bank will inform their customers in a transparent manner the requirement of maintaining minimum balance and levying of charges, etc., if the minimum balance is not maintained. Any charge levied subsequently will be transparently made known to all depositors in advance with one month's notice. The bank will inform, at least one month in advance, the existing account holders of any change in the prescribed minimum balance and the charges that may be levied if the prescribed minimum balance is not maintained.

Levy of Penal Charges on Non-Maintenance of Minimum balance in savings/current bank accounts

While levying charges for non-maintenance of minimum balance in savings/current bank accounts, bank will adhere to the following additional guidelines:

- In the event of a default in maintenance of minimum balance / average minimum balance as agreed to between the bank and customer, the bank will notify the customer clearly by SMS / email that in the event of the minimum balance not being restored in the account within a month from the date of notice, penal charges as per the GSFC will be applicable.
- In case the minimum balance is not restored within a reasonable period, which shall not be less than one month from the date of notice of shortfall, penal charges may be recovered under intimation to the account holder.
- The policy on penal charges to be so levied may be decided with the approval of Board of the bank.
- The penal charges will be directly proportionate to the extent of shortfall observed. In other words, the charges will be a fixed percentage levied on the amount of difference between the actual balance maintained and the minimum balance as agreed upon at the time of opening of account.
- It will be ensured that such penal charges are reasonable and not out of line with the average cost of providing the services.
- It will be ensured that the balance in the savings account does not turn into negative balance solely on account of levy of charges for non-maintenance of minimum balance.

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These guidelines will be brought to the notice of all customers apart from being disclosed on the bank's website.

Providing Statement of Accounts

- Bank will send monthly statement of accounts via email and will be available for download from digital channels.
- Bank will charge a minimum amount to the customers who request physical account statement other than monthly statement of accounts sent by the bank via email.

Address / Helpline Number of the Branch in Statement of Accounts

Bank will ensure that full address / helpline number of the branch is invariably mentioned in the statement of accounts issued to account holders in order to improve the quality of service available to its customers.

Payment of interest on accounts frozen by bank

Bank will freeze the accounts of customers based on the orders of the enforcement authorities. The issue of payment of interest on such frozen accounts will be examined in consultation with Indian Bank' Association.

Acceptance of Cash Deposits

Bank may ensure that customers will be able to deposit cash via recycler machines and instant credit would be given for the same. Further, the bank will refrain from incorporating clauses in the terms and conditions which restrict deposit of cash.

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Opening of Bank Accounts in the Names of Minors

With a view to promote the objective of financial inclusion and also to bring uniformity among bankin opening and operating minors' accounts, Bank will ensure:

- A savings account can be opened by a minor of any age through his/her natural or legally appointed guardian.
- Minors above the age of 10 years may be allowed to open and operate savings bank accounts independently, if they so desire. Bank may, however, keeping in view their risk management systems, fix limits in terms of age and amount up to which minors may be allowed to operate the deposit accounts independently.
- On attaining majority, the erstwhile minor will confirm the balance in his/her account and if the account is operated by the natural guardian / legal guardian, fresh operating instructions ,specimen signature with Aadhaar based KYC of erstwhile minor will be obtained and kept on record for all operational purposes.
- Bank will offer additional banking facilities like Internet/Mobile banking, ATM/debit card/pre-paid etc., subject to the adherence to safeguards in operation of minor accounts
- Bank will allow minors' accounts (savings only) with mothers as guardians to be opened, whenever such requests are received.

Reconciliation of transactions at ATMs failure - Time limit

Bank will make sure that:

- The time limit for resolution of customer complaints by the bank is 7 working days from the date of receipt of customer complaint. Accordingly, failure to re-credit the customer's account within 7 working days of receipt of the complaint shall entail payment of compensation to the customer @ 100/- per day by the bank. This compensation will be credited to the customer's account automatically without any claim from the customer, on the same day when the bank initiates the credit for the failed ATM transaction.

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- Any customer is entitled to receive such compensation for delay, only if a claim is lodged with the bank within 30 days of the date of the transaction.
- The number of free transactions permitted per month at other bank ATMs to Savings Bank account holders will be inclusive of all types of transactions, financial or non-financial.
- All disputes regarding ATM failed transactions will be settled by the bank and the acquiring bank through the ATM System Provider only.

Security Issues and Risk mitigation measures- Online alerts to the cardholder for usage of Pre-Paid/debit cards

Bank will send online alerts via email or SMS to the Account holders for all Card related transactions (Financial/Non-Financial) and Card Not Present transactions.

Security Issues and Risk mitigation measures related to Card Not Present (CNP) transactions

Bank will ensure that it has put in place additional factor of authentication/validation based on information not visible on the cards for all on-line Card not Present (CNP) transactions.

Securing Electronic Payment Transactions

Bank will introduce the following security measures:

- Customer induced options will be provided for fixing a cap on the value / mode of transactions / beneficiaries. In the event of customer wanting to exceed the cap, an additional authorization will be insisted upon.
- Limit on the number of beneficiaries that may be added in a day per account.
- Alerts will be sent to the customer when a beneficiary is added.
- Bank envisages to put in place a mechanism for velocity check on the number of transactions effected per day / per beneficiary and any suspicious operations will be subjected to alert within the bank and to the customer.

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- Additional factor of authentication in form of OTP for such payment transactions will be asked.
- The bank will consider implementation of digital signature for large value payments for all customers.
- The bank envisages to put in place a mechanism for capturing of Internet Protocol (IP) address as an additional validation check will be done.

4.5 Service at the counters

Banking hours / working days of bank branches

- Bank/Banking Outlet will normally function for public transactions at least for 4 hours on weekdays for at least five days a week.
- The bank will provide access to customers for their banking relationships 24X7 through digital channels.
- In order to safeguard bank' own interest, if Bank will close any of its offices on a day other than a public holiday, it will give due and sufficient notice to all the parties (through SMS/Website) concerned who are or are likely to be affected by such closure.
- Further, the provisions, if any, regarding the bank' obligations, to the staff under the Industrial Awards / Settlements, will be complied with. Clearing House authority of the place will also be consulted in this regard.

Commencement / Extension of working hours

Commencement of employees' working hours 15 minutes before commencement of business hours will be made operative by bank at branches in metropolitan and urban centres. The bank will implement the recommendation considering the provisions of the local Shops and Establishments Act. The Branch managers* and other supervising officials will, however, ensure that the members of the staff are available at their respective counters right from the commencement of banking hours and throughout the

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prescribed business hours so that there may not be any grounds for customers to make complaints.

4.6 Guidance to customers and Disclosure of Information

Display of time norms

Time norms for specialized business transactions will be displayed predominantly on the website, mobile site and branches.

Display of information by bank

Website/Mobile App: The detailed information will also be made available on the bank's website and Mobile App. Bank will adhere to the broad guidelines relating to dating of material, legibility, etc., while placing the same on website or Mobile App. In this context, Bank will ensure that the customers are able to easily access the relevant information from the Home Page of the bank's website or Mobile app. Further, there are certain information relating to service charges and fee and grievance redressal that are to be posted compulsorily on the website and Mobile App of the bank.

Comprehensive Notice Board: Bank will display information in their branches/banking outlets which is one of the modes of imparting financial education. Bank would display information on public grievance redressal mechanism service charges, interest rates, services offered, product information, time norms for various banking transactions.

Other issues: Bank will display promotional and product information while ensuring that the mandatory displays will not be obstructed in anyway. As customer interest and financial education are sought to be achieved by the mandatory display requirements, they will also be given priority over the other display boards. Information relating to Government sponsored schemes as applicable location-wise will be displayed according to their applicability.

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Display of information relating to Interest Rates and Service Charges

Bank would devise a format for display of information relating to interest rates and service charges which would enable the customer to obtain the desired information at a quick glance. Bank will also ensure that only latest updated information in the above format is placed on their website and mobile app/mobile website and the same is easily accessible from the Home Page of website/mobile app/mobile website.

Disclosure of Information by bank in the public domain

Bank will disclose the information on products and services on websites which is found to be an effective channel for reaching out to customers and the public at large. -

I. Policy / Guidelines

- (i) Citizen's Charter
- (ii) Deposit Policy
- (iii) Deceased Depositors Policy along with Nomination Rules

II. Complaints

- (i) Grievance Redressal Mechanism
- (ii) Information relating to Banking Ombudsmen

III. Opening of Accounts

- (i) Account Opening Forms
- (ii) Terms and Conditions
- (iii) General schedule of Service Charges (GSFC)
- (iv) Interest rates on Deposits
- (v) Minimum balances – along with corresponding facilities offered.

IV. Branches/ Banking Outlets/BC Locations

- (i) Details of branches/banking outlets/ BC location along with addresses and Helpline numbers (with search engine for queries relating to branch location)

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Customer Awareness of Account Security:

Bank will ensure that customers are made aware that they should never share their personal confidential details like card number, card expiry date, CVV, OTP etc. over unsolicited calls, SMS or emails, through various customer service channels.

4.7 Providing bank facilities to persons with disabilities

Guidelines framed by IBA based on the judgment of Chief Commissioner for Persons with Disabilities

Indian Bank' Association has framed operational guidelines for implementation of its member bank on providing banking facilities to persons with disabilities. Bank will adopt / follow the operational guidelines meticulously.

4.8 Grievance Redressal Mechanism

Bank will ensure that a suitable mechanism exists for receiving and addressing complaints from its customers / constituents with specific emphasis on resolving such complaints fairly and expeditiously regardless of source of the complaints.

Bank may:

- Have a system of receiving and acknowledging the complaints.
- Fix a time frame for resolving the complaints received at different levels.
- Ensure that redressal of complaints emanating from rural areas and those relating to financial assistance to Priority Sector and Government's Poverty Alleviation Programs also form part of the above process.
- Bank shall prominently display at Website/Mobile/branches/Banking outlets, the helpline numbers with other details of the branch employee (in case of branch) who can help attend the complaint (will also include the name and other details of the concerned Nodal Officer appointed under the Banking Ombudsman Scheme, 2006.)
- Bank will display on their websites/mobile sites, the names and other details of the officials who can be contacted for redressal of complaints including the names of the Nodal Officers / Principal Nodal Officers.

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- Further, bank may also display on their websites/Mobile app, the names and other details of their CMD / CEO and Line Functioning Heads for various operations to enable their customers to approach them in case of need, if necessary.
- Bank will ensure to disclose the brief details regarding the number of complaints along with their financial results. This statement will include all the complaints received at the Head Office / Controlling Office level and the complaints received at the branch/Banking Point level. However, where the complaints are redressed within the next working day, bank will not include the same in the statement of complaints.
- For Complaints not redressed within one month, the concerned Nodal Officer would take the same on highest priority for resolution. Further, bank would ensure that the customer is made aware of his rights to approach the concerned Banking Ombudsman in case he is not satisfied with the bank's response.

Appointment of Key Stakeholders

The key appointments which bank will ensure are:

- **Branch Manager*/Officer-** The Branch Manager* or Officer at banking points shall be first point of face-to-face contact to resolve complaints expeditiously and within the stipulated timeline.
- **Nodal Officer-**The bank will appoint a nodal department / officer for customer service in the Head Office and controlling centers, to whom customers with grievances can approach in the first instance and with whom the Banking Ombudsman and RBI can liaise.
- **Principal Nodal Officer-**This should be an employee of a senior rank (General Manager or equivalent) who will monitor the entire customer service mechanism and identify areas of improvement.
- **Customer service Committee of the Board-** The Bank shall constitute a Board approved CSCB whose role will be to review the customer service mechanism in the Bank and deliberate on timely measures to enhance customer satisfaction.

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- **Standing Committee on Customer service-** The Committee shall focus on building and strengthening customer service orientation in the Bank through initiating various measures including simplifying processes for improvement in customer service levels. The Committee shall hold periodic meetings to discuss service updates, ongoing projects specifically targeted towards improvement of customer service and appropriate actions arising from discussions.

System to capture complaints

- Bank may have in place a system to enable efficient and effective tracking and resolution of complaints.
- All the complaints received are recorded and resolved and ensure effective monitoring / escalation mechanism to the senior functionary responsible to make sure that none of the complaints remain unresolved.

Display of Names of Nodal Officers

With a view to making the Grievance Redressal Mechanism more effective, in addition to the instructions mentioned above, bank will make sure to:

- Ensure that the Principal Nodal Officer appointed under the Banking Ombudsman Scheme is of a sufficiently senior level.
- Contact details including name, complete address, telephone / fax number, email address, etc., of the Principal Nodal Officer will be prominently displayed in the website/mobile site of the bank. The name and address of the Principal Nodal Officer will also be forwarded to the concerned department in RBI.

Dealing with Complaints and Improving Customer Relations

Levels of Complaint redressal

- a) First Point of contact – Call Centre, Mobile Banking App (NSDL Jiffy), Digital Complaint form available on the website, Branch Officer, controlling Officer at Banking points

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- b) If complaint not resolved within 7 working days at level a – Customer can write to care@nsdlbank.co.in from his registered email address mentioning his complaint reference number and registered mobile number.
- c) If Complaint not resolved within 7 working days at level b – Customer can contact Principal Nodal Officer whose details are made available on our website. Due to the current customer base and the volume of the queries/complaints received, all these are handled at our Head Office based in Lower Parel. Hence, we have only Principal Nodal Officer (nodalofficer@nsdlbank.co.in) taking care of all queries/complaints.
- d) If after having followed Steps a, b and c customers issue remains unresolved or if they have not received response within 30 days of lodging a complaint, they may approach the Banking Ombudsman appointed by the Reserve Bank of India by clicking on the link provided on the Bank website.

Complaint Form

A complaint form in a digital format, along with the name of the Nodal Officer for complaint redressal, may be provided in the homepage of Bank Website itself to facilitate complaint submission by customers. The complaint form will also indicate that the first point for redressal of complaints is the bank itself and that complainants shall approach the Banking Ombudsman only if the complaint is not resolved at the bank level within a month. Similar information will be displayed in the boards put up in all the bank branches/Banking point to indicate the name and address of the Banking Ombudsman. In addition, the name, address and telephone numbers of the Controlling Authority of the bank to whom complaints can be addressed will also be given prominently.

Complaints/suggestions box

Complaints/suggestions box or Complaint/Suggestion portal may be provided at each office/branch/Banking outlet of the bank. Further, at every office/branch of the bank a notice requesting the customers to meet the Branch manager*/controlling officer will be displayed regarding grievances, if the grievance remains unresolved.

In addition, customer will have the option to raise ticket and complaints through

- Mobile Banking app,
- Internet Banking,
- Call Centre,

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- Bank website and
- Email.

Complaint tracking

The Bank shall provide acknowledgement to the customers through SMS or email and intimation to the Controlling Office for complaints. Every customer complaint will be forwarded to the concerned nodal/concerned officer of the bank along with the remark of the Branch Manager* (in case of complaints received from branch) within a time frame.

Bank shall establish a complaint tracking mechanism which would have all the complaints and their status irrespective from where the same is raised. They shall be reviewed/scrutinized by the concerned/nodal officer at frequent intervals.

Timelines for responding/resolving complaints

- Normal cases (other than the one mentioned below): Maximum 7 working days
- Fraud cases, Legal cases and cases which need retrieval of documents and exceptionally old records: Maximum 15 working days
- Cases involving third party (other Banks): Maximum 30 working days
- NEFT/RTGS complaints will be resolved within 3 working days.
- Chargeback related cases: 45 to 90 working days or as per Rupay/VISA/Master Card Guidelines

If any case needs additional time, the Bank will inform the customer/regulator the reasons of delay in resolution and provide expected timelines for resolution of the issue.

Analysis and Disclosure of complaints

Bank will place a statement of complaints before their Boards / Customer Service Committees along with an analysis of the complaints received. The complaints will be analyzed:

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- To identify customer service areas in which the complaints are frequently received.
- To identify frequent sources of complaint.
- To identify systemic deficiencies; and
- For initiating appropriate action to make the grievance redressal mechanism more effective.

Further, Bank will ensure to disclose the following brief details along with their financial results: As per RBI circular RBI/2020-21/87 CEPD.CO.PRD.Cir. No.01/13.01.013/2020-21 dated 27th Jan'21

A. Complaints received by the bank from its customers

- (1) No. of complaints pending at the beginning of the year.
- (2) No. of complaints received during the year.
- (3) No. of complaints redressed during the year.
 - 3.1 Of which, number of complaints rejected by the bank.
- (4) No. of complaints pending at the end of the year.

B. Maintainable complaints received by the bank from OBOs

- (5) Number of maintainable complaints received by the bank from OBOs
 - 5.1 Of 5, number of complaints resolved in favour of the bank by BOs.
 - 5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by BOs.
 - 5.3 Of 5, number of complaints resolved after passing of Awards by BO against the bank.
- (6) Number of Awards unimplemented within the stipulated time (Other than those appealed)

Further, bank will ensure to place the detailed statement of top five grounds of complaints on their website for information of the Banks customers and the general public at the end of each financial year including pertaining to ATM cards issued. Format is as below

Grounds of complaints	Number of complaints	Number of complaints	% increase / decrease in the	Number of complaints	Of 5, number of
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(i.e. complaints relating to)	pending at the beginning of the year	received during the year	number of complaints received over the previous year	pending at the end of the year	complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Ground-1					
Ground-2					
Ground-3					
Ground-4					
Ground-5					

5.4 Erroneous Debits arising on fraudulent or other transactions.

Vigilance by bank

Bank will ensure to adhere to the guidelines and procedures for opening and operating deposit accounts to safeguard against unscrupulous persons opening accounts mainly to use them as conduit for fraudulently encashing payment instruments. However, in view of receipt of continuous complaints of fraudulent encashment by unscrupulous persons opening deposit accounts in the name/s similar to already established concern/s resulting in erroneous and unwanted debit of drawers' accounts, bank will remain vigilant to avoid such lapses and issue necessary instructions to the branches / staff.

Bank will have a separate email address (leadesk@nsdlbank.co.in) for handling fraud cases notices / inquiries received from Law Enforcement Agencies/other banks.

Compensating the customer

Besides in cases of the above kind, bank will not restore funds promptly to customers even in bona-fide cases but defer action till completion of either departmental action or police interrogation. Therefore, (i) In case of any fraud, if the bank is convinced that an irregularity / fraud has been committed by its staff towards any constituent, the bank will at once acknowledge its liability and pay the just claim, (ii) in cases where bank is at fault, the bank will compensate customers without demur, and (iii) in cases where neither the bank is at fault nor the customer is at fault but the fault lies elsewhere in the

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system, then also the bank will compensate the customers (up to a limit) as part of a Board approved customer relations policy.

5.5 Nomination Facility

Nomination facility in respect of deposits – Savings and Current account

- Nomination facility is intended for individuals including a sole proprietary concern.
- Nomination in case of Joint Deposit Accounts: Bank will ensure that they will offer nomination facility to all deposit accounts including joint accounts opened by the customers.
- A nominee cannot be an Association, Trust, Society or any other Organization or any office-bearer thereof in his official capacity. In view thereof any nomination other than in favor of an individual will not be valid.
- There cannot be more than one nominee in respect of a joint deposit account.
- Bank will allow variation/cancellation of a subsisting nomination by all the surviving depositor(s) acting together. This is also applicable to deposits having operating instructions "either or survivor".
- In the case of a joint deposit account the nominee's right arises only after the death of all the depositors.

Nomination Facility – Sole Proprietary Concern

Bank will extend the nomination facility also in respect of deposits held in the name of a sole proprietary concern.

Nomination Facility in Single Deposit Accounts

Bank will encourage and provide guidance to deposit account holders on the benefits of nomination facility and the survivorship clause. Bank will insist that the person opening a deposit account makes a nomination.

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Acknowledgement of Nomination

Bank in terms of Rules 2 (9), 3 (8) and 4 (9) of the Banking Companies Nomination (Rules), 1985, will acknowledge in writing or email to the depositor(s) the filing of the relevant duly completed Form of nomination, cancellation and / or variation of the nomination. Bank will strictly comply with the provisions of Banking Regulation Act, 1949 and Banking Companies (Nomination) Rules, 1985 and devise a proper system of acknowledging the receipt of the duly completed form/digital form of nomination, cancellation and / or variation of the nomination. Such acknowledgement will be given to all the customers or sent digitally irrespective of whether the same is demanded by the customers.

Registering the nomination

In terms of Rules 2 (10), 3 (9) and 4 (10) of the Banking Companies (Nomination) Rules, 1985; Bank will register the nomination, cancellation and / or variation of the nomination. The bank will accordingly take action to register nominations or changes therein, if any, made by their depositor(s) / hirers.

Incorporation of the legend “Nomination Registered” and indicating the Name of the Nominee in Statement of Accounts

When a bank account holder has availed himself of nomination facility, the same will be indicated on the Statement of accounts so that, in case of death of the account holder, his relatives can know from the Statement of accounts that the nomination facility has been availed of by the deceased depositor and take suitable action. Further, bank ensures that in addition to the legend “Nomination Registered”, they will also indicate the name of the Nominee in Statement of Accounts subject to customer consenting to the same.

Customer Guidance and Awareness Educating Customers on the Benefits of nomination / survivorship clause:

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- Bank will create awareness and provide guidance to deposit account holders on the benefits of the nomination facility and the survivorship clause.
- In addition to obtaining nomination forms, bank will ensure that account opening form will contain space for nomination also so that the customers could be educated about availability of such facilities.

5.6 Settlement of claims in respect of deceased depositors Simplification of procedure Provisions of the Banking Regulation Act, 1949

Bank will adhere to the provisions of Sections 45 ZA to 45 ZF of the Banking Regulation Act, 1949 and the Banking Companies (Nomination) Rules, 1985.

Accounts with survivor/nominee clause

In the case of deposit accounts 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 represent a valid discharge of the bank's liability provided:

- the bank would exercise due care and caution in establishing the identity of the survivor(s) / nominee and the fact of death of the account holder, through appropriate documentary evidence;
- there is no order from the competent court restraining the bank from making the payment from the account of the deceased; and
- 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 will have against the survivor(s) / nominee to whom the payment is made.

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- It will be noted that since payment made to the survivor(s) / nominee, subject to the foregoing conditions, would constitute a full discharge of the bank's liability, insistence on production of legal representation is superfluous and unwarranted and only serves to cause entirely avoidable inconvenience to the survivor(s) / nominee and would, therefore, invite serious supervisory disapproval. In such case, therefore, while making payment to the survivor(s) / nominee of the deceased depositor, the bank will desist from insisting on production of succession certificate, letter of administration or probate, etc., or obtain any bond of indemnity or surety from the survivor(s)/nominee, irrespective of the amount standing to the credit of the deceased account holder.

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), Bank 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.

Treatment of flows in the name of the deceased depositor

In order to avoid hardship to the survivor(s) / nominee of a deposit account, bank 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, bank would give choice to customer for adopting either of the following two approaches:

The bank 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.

OR

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The bank 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 ECS/NEFT/RTGS transfer in the name of the appropriate beneficiary.

Interest payable on the deposit account of deceased depositor

In the case of balances lying in savings/ account standing in the name of a deceased individual depositor/sole proprietorship concern, interest will be paid only from 1st Will, or from the date of death of the depositor, whichever is later, till the date of repayment to the claimant/s at the rate of interest applicable to savings deposit as on the date of payment. All Dues including interest payable will be explained in detail in Customer deposit Policy of the Bank.

Time limit for settlement of claims

Bank 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. Bank will report to the Customer Service Committee of the Board, at appropriate intervals, on an ongoing basis, the details of the number of claims received pertaining to deceased depositors and those pending beyond the stipulated period, giving reasons therefor.

Claim Forms to be made available:

With a view to facilitate timely settlement of claims on the death of a depositor, bank will provide claim forms for settlement of claims of the deceased accounts, to any person/swho is/are approaching the bank's helpline/website. Claim forms will be put on the bank's website prominently so that claimants of the deceased depositor can access and

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download the forms without having to visit the concerned bank/branch for obtaining such forms for filing claim with the bank.

5.6 Settlement of claims in respect of missing persons

Bank will follow the following system in case a claim is received from a nominee / legal heirs for settlement of claim in respect of missing persons in line with the provisions of Section 107 / 108 of the Indian Evidence Act, 1872. Section 107. Bank will formulate a policy which would enable them to settle the claims of a missing person after considering the legal opinion and considering the facts and circumstances of each case.

5.7 Unclaimed Deposits / Inoperative Accounts in bank

Bank ensures to follow the instructions detailed below while dealing with inoperative accounts:

- Bank will make an annual review of accounts in which there are no operations (i.e., no credit or debit other than crediting of periodic interest or debiting of service charges) for more than one year. The bank will approach the customers and inform them via an email or SMS that there has been no operation in their accounts.
- In case any reply is given by the account holder giving the reasons for not operating the account, bank will continue classifying the same as an operative account for one more year within which period the account holder will be requested to operate the account. However, in case the account holder still does not operate the same during the extended period, bank will classify the same as inoperative account after the expiry of the extended period.
- For the purpose of classifying an account as 'inoperative' both the type of transactions i.e., debit as well as credit transactions induced at the instance of customers as well as third party will be considered. However, the service charges levied by the bank or interest credited by the bank will not be considered.

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- Further, the segregation of the inoperative accounts is from the point of view of reducing risk of frauds etc. However, the customer will not be inconvenienced in any way, just because his account has been rendered inoperative. The classification is there only to bring to the attention of dealing staff, the increased risk in the account. The transaction will be monitored at a higher level both from the point of view of preventing fraud and making a Suspicious Transactions Report. However, the entire process will remain un-noticeable by the customer.
- Operation in such accounts will be allowed after due diligence as per risk category of the customer. Due diligence would mean ensuring genuineness of the transaction, verification of the identity etc. However, it has to be ensured that the customer is not inconvenienced as a result of extra care taken by the bank.
- There will not be any charge for activation of inoperative account.
- Bank will ensure that the amounts lying in inoperative accounts ledger are properly audited by the internal auditors / statutory auditors of the bank.
- Interest on savings bank accounts will be credited on regular basis whether the account is operative or not.
- **Display list of Inoperative Accounts:** Bank will display the list of unclaimed deposits/inoperative accounts which are inactive / inoperative for ten years or more on their respective websites. The list so displayed on the websites will contain only the names of the account holder(s) and his/her address in respect of unclaimed deposits/inoperative accounts. In case such accounts are not in the name of individuals, the names of individuals authorized to operate the accounts will also be indicated. However, the account number, its type and the name of the branch will not be disclosed on the bank's website.
- Bank will also give on the same website, the information on the process of claiming the unclaimed deposit/activating the inoperative account and the necessary forms and documents for claiming the same. Bank will have adequate operational safeguards to ensure that the claimants are genuine.
- **Strengthening the Regulatory Framework for Unclaimed Deposits:** Bank will put in place a Board approved policy on classification of unclaimed deposits;

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grievance redressal mechanism for quick resolution of complaints; record keeping; and periodic review of such accounts.

- In order to reduce the risk of fraud etc., in such accounts, while allowing operations in these accounts, due diligence will be exercised by ensuring the genuineness of transactions, verification of signature and identity, etc.

5.8 Co-ordination with officers of Central Board of Direct Taxes

There is a need for greater co-ordination between the income-tax department and the banking system. As such bank will extend necessary help/co-ordination to tax officials whenever required. Further, bank will have to view with serious concern cases where their staff connive/assist in any manner with offences punishable under the Income Tax Act. In such cases in addition to the normal criminal action, such staff member will also be proceeded against departmentally.

5.9 Miscellaneous

Accepting standing instructions of customers

Standing instructions will be freely accepted on all current and savings bank accounts. The scope of standing instructions service will include payments on account of taxes, rents, bills, school / college fees, licenses, etc.

Rounding off of transactions

All transactions, including payment of interest on deposits/charging of interest on advances, will be rounded off to the nearest rupee i.e., fractions of 50 Paise and above shall be rounded off to the next higher rupee and fraction of less than 50 Paise shall be ignored.

Customer Continuity Plan:

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In the event of the call centre being non-operational due to unforeseen circumstances, customer would be advised to write e-mail at care@nsdlbank.co.in or raise ticket on mobile banking app, through IVR at call centre. The customer would be called on case to case basis to resolve queries/complaints received through mail/mobile app.

“Moments on Truth” from customer interactions on Social Media:

- Excellent response and appreciation received from customers for a lifetime zero balance bank account along with a free virtual debit card.
- Extremely positive credibility as NSDL is 100% Indian entity, and this gives a positive impact under the “be vocal about local” campaign by our Hon’ble Prime Minister.
- Extremely happy with the smooth flow of account opening which is 100% contactless and paperless.
- Appreciation for the usability of the Jiffy app which is extremely easy to use and clutter free.
- Bank also received a lot of positive comments for resolving their queries quickly.

Our customer service tagline will be “We Serve to win your Trust” and will be followed across various servicing channels i.e. mobile app, call centre and e-mail us option.

5.10 Various Working Groups / Committees on Customer Service in Bank - Implementation of the Recommendations

In order to measure the progress achieved by the bank in implementation of the recommendations of various working groups/Committees on customer service, bank will examine the recommendations which have relevance in the present-day banking and continue to implement them. Bank will consider submitting periodically to their Customer Service Committee of the Board a progress report on the steps/ measures taken in this regard.

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5.11 Code of Bank's Commitment to Customers

Bank will follow various provisions of the Code of Bank's Commitment to Customers, implementation of which is monitored by the Banking Codes and Standards Board of India (BCSBI).

*Branch Manager ~ The role of the Branch Manager would only be applicable when any branch is operational.