

Policy on Customer Service in Banks

(Based on RBI Responsible Business Conduct Directives, 2025 and RBI Customer Service Guidelines)

1. Policy Statement

The Bank is committed to providing fair, transparent, inclusive, accessible, and customer-centric banking services in accordance with the principles of Responsible Business Conduct (RBC) prescribed by the Reserve Bank of India (RBI). The Bank shall conduct its operations with integrity, accountability, respect for customer rights, and a commitment to financial inclusion while ensuring the highest standards of customer service. This policy is aligned with RBI's directives on Responsible Business Conduct and customer service standards.

2. Objectives

The objectives of this policy are to:

1. Ensure customers receive prompt, courteous, and efficient service.
2. Promote fair and non-discrimination treatment to all the customers.
3. Enhance transparency in banking operations and communication.
4. Strengthen customer trust and confidence.
5. Provide effective grievance redressal mechanisms.
6. Foster a culture of responsible banking and ethical conduct.
7. Promote financial literacy and customer awareness.

3. Guiding Principles of Responsible Business Conduct

3.1 Ethical Conduct

The Bank shall:

- Conduct business honestly, transparently, and responsibly.
- Avoid unfair, deceptive, or misleading practices.
- Ensure compliance with all RBI regulations and statutory requirements.

3.2 Customer Centricity

- Place customer interests at the centre of all products, services, and decisions.
- Design products suitable to customer needs and risk profiles.
- Ensure fair and equitable treatment of all customers.

3.3 Transparency

- Clearly disclose terms and conditions, fees, charges, risks, and obligations at the time of opening accounts or at the time of changing any of the terms and conditions.
- Provide information in simple and understandable language, preferably in Hindi, English and regional language.

3.4 Inclusiveness

- Extend banking services to vulnerable and underserved segments.
- Ensure accessibility for senior citizens, differently abled persons, women, and rural customers.

4. Service Standards

Business Hours and Counter Services

- a) Employees should be available at their workstations at the commencement of business hours. Customers should receive banking services immediately upon opening of the branch. Timely availability of staff enhances operational efficiency and strengthens customer confidence.
- b) All customers entering the branch before the close of business hours should be attended to. No customer should be denied service merely because a transaction extends beyond business hours, provided the customer entered the branch before closure. This reflects fairness and customer-centric service delivery.
- c) Business hours and transaction turnaround times shall be displayed prominently in the branch premises. Display of service standards promotes transparency, manages customer expectations, and enables customers to assess service performance.

5. Employee Conduct and Service Culture

5.1 Professional Behaviour:

Employees should treat customers with courtesy, dignity and respect as respectful behaviour is fundamental to responsible banking and contributes significantly to customer satisfaction and trust.

5.2 Identity badges:

As visible identification improves accountability, enhances customer confidence, and facilitates communication between customers and staff, employees should wear identity badges displaying their name and photograph.

5.3 Job Enrichment:

Bank should ensure periodic change of duties and job rotation among employees and keep its record updated.

5.4. Training:

Bank should align 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 will be so devised as to bring about positive attitudinal changes compatible to customer orientation.

5.5. Induction Training:

Training to new recruits of a bank 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.

5.6 Reward and Recognition

The system of reward / recognition system will be so designed that it puts an indifferent employee to a considerable disadvantage - psychologically and even financially. Indifferent and casual approach to work (customer service) will not go unnoticed, giving such employees wrong signals. Bank should ensure a fair system whereby employees are gauged or rated in the area of customer service and good work is rewarded.

5.7 Complaint Prone Employees:

Placement of employees in customer contact works should be on a selective basis. By imaginative and innovative approaches, enough number of employees will 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.

5.8 Systems and Procedures:

Bank should keep 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.

6. Fair Treatment of Customers

The Bank should:

- a) Ensure non-discriminatory access to services.

The Bank should provide banking products and services fairly and equitably to all customers without discrimination on the grounds of gender, age, religion, caste, ethnicity, disability, economic status, or any other prohibited basis. All customers shall have equal opportunity to access banking facilities, subject to regulatory and eligibility requirements.

- b) Protect customers from unfair sales practices.

The Bank should ensure that products and services are marketed and sold in a fair, transparent, and ethical manner. Employees and agents should not use misleading information, coercion, misrepresentation, or undue pressure to influence customers into purchasing products or services that they do not require or understand.

- c) Provide suitable products based on customer requirements.

The Bank should make reasonable efforts to understand the customer's financial needs, objectives, and risk profile before recommending or offering products and services. Products should be offered based on suitability and customer interest rather than solely on business or sales targets.

- d) Respect customer privacy and confidentiality.

The Bank must maintain the confidentiality of customer information obtained during the course of business and should use such information only for legitimate business purposes. Customer information must not be disclosed to unauthorized persons except where required by law, regulation, or with the customer's explicit consent.

- e) Safeguard customer data in compliance with applicable laws.

The Bank should implement appropriate administrative, technical, and physical safeguards to protect customer data from unauthorized access, misuse, alteration, loss, or disclosure. Collection, storage, processing, sharing, and retention of customer information must be carried out in accordance with applicable laws, RBI guidelines, and the Bank's data protection and information security policies.

7. Customer Information and Education

- a) Because an informed customer is better equipped to make financial decisions and avoid misunderstandings regarding banking services and products, the Bank should educate customers regarding products, services, rights, obligations and associated risks.

- b) Financial literacy and awareness programmes shall be conducted periodically.

Regular awareness initiatives by the bank should be made to promote financial inclusion and help customers use banking channels safely and effectively.

8. Digital Banking and Responsible Technology Use

- a) Ensure secure, reliable, and user-friendly digital banking platforms.

The Bank should maintain digital banking channels, including internet banking, mobile banking, UPI, and other electronic platforms, with robust security controls, high system availability, and intuitive user interfaces. The objective is to provide customers with seamless, convenient, and secure access to banking services while minimizing operational disruptions and technology-related risks.

- b) Protect customers from cyber fraud and unauthorized transactions.

The Bank should implement appropriate preventive, detective, and corrective controls to safeguard customers against cyber threats, phishing attacks, identity theft, malware, and unauthorized transactions. Customers should be educated on safe digital banking practices, and timely alerts should be provided for transactions and security-related events.

- c) **Provide adequate support for digital banking users.**

The Bank should establish accessible support mechanisms, including branch assistance, customer care centres, helpdesks, chat support, and self-service resources, to assist customers in using digital banking services effectively. Special

attention should be given to senior citizens, differently-abled customers, and first-time digital banking users.

d) Maintain transparency regarding digital service limitations and risks.

The Bank should clearly communicate the features, terms and conditions, eligibility criteria, transaction limits, applicable charges, security requirements, and inherent risks associated with digital banking services. Customers should be informed of any service interruptions, maintenance activities, or limitations that may affect service availability.

e) Establish procedures for prompt resolution of digital service issues.

The Bank should implement defined processes for the timely identification, reporting, investigation, and resolution of issues relating to digital banking services, including transaction failures, technical glitches, login problems, cybersecurity incidents, and customer complaints. Appropriate escalation mechanisms and service timelines should be established to ensure effective resolution and customer satisfaction.

f) Promote responsible and inclusive use of technology.

The Bank should leverage technology in a manner that enhances customer convenience, promotes financial inclusion, and ensures fair treatment of customers. Digital solutions should be designed to be accessible, transparent, and responsive to the needs of diverse customer groups while maintaining high standards of security, privacy, and ethical conduct.

9. Grievance Redressal

a) The Bank should provide multiple channels for lodging complaints and grievances.

Customers should be able to raise concerns conveniently through branch, telephone, email, website, mobile application, or other designated channels.

b) Complaints should be acknowledged and resolved within prescribed timelines because timely resolution demonstrates accountability and helps maintain customer trust in the Bank's grievance management process.

10. Customer Service Audit and Monitoring

a) Periodic customer service audits must be conducted.

Customer service audits help identify service gaps, monitor compliance with regulatory requirements, and support continuous improvement initiatives.

- b) Senior officials should review customer service standards during branch visits. This is required as Management oversight ensures that customer service objectives are effectively implemented at the operational level

11. Infrastructure Provision:

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

12. Security Arrangements:

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