

CITIZENS' CHARTER

PREFACE

The ability of the banking industry to achieve the socio-economic objectives and in the process bringing more and more customers into its fold will ultimately depend on the satisfaction of the customers. We have a strong belief that a satisfied customer is the foremost factor in developing our business.

A need was felt by us at **ESAF Small Finance Bank** that in order to become more customer friendly the bank should come out with charter of its services for the customers. Citizens' Charter concept was considered as a base instrument to fill this need and accordingly this document was prepared. This document was made in consultation with the users and highlights **ESAF Small Finance Bank's** commitment towards the customer satisfaction, thus ensuring accountability and responsibility amongst its officials and staff. This charter for customers not only explains our commitments and responsibilities along with the redressal methods but also specifies the obligation on part of customers for healthy practices in customer-banker relationships.

This is not a legal document creating rights and obligations. The Charter has been prepared to promote fair banking practices and to give information in respect of various activities relating to customer service.

We wish to acknowledge the initiative taken by the Ministry of Finance, Government of India and Ministry of Administrative Reforms and Public Grievances, RBI & IBA for encouraging us to bring out this Citizens' Charter.

We maintain constant consultations with our clientele through various Seminars, Customer Meets, etc. to evaluate improve and widen the range of service to customer. However, all our customers are requested to keep us informed of their experiences about the various services rendered by the Bank and feel free to comment on this Charter. We intend to bring it out in many more Regional languages in subsequent years.

MD& CEO
ESAF Small Finance Bank

NOTE

Information given in this booklet is as of 10.03.2017, which is subject to change/revision.

This booklet should not be considered as a legal document creating rights and obligations. It is for promoting better understanding between Customer and Banker.

Only key information on various services/facilities is given in this booklet. Each service has its own detailed terms and conditions; which can be made available on request.

For further details/information, visit or write to our branch offices, or Head Office, or visit our website www.esafbank.com

COMMON PRACTICES FOLLOWED BY OUR BRANCHES

1. Display business hours.
2. Render courteous services.
3. Attend to all customers present in the banking hall at the close of business hours.
4. Provide separate 'Enquiry' or 'May I Help You' counter at large branches.
5. Offer nomination facility to all deposit accounts (i.e. account opened in individual capacity) and all safe deposit locker hirers (i.e. individual hirers).
6. Display interest rates for various deposit schemes from time to time.
7. Notify change in interest rates on advances.
8. Provide details of various deposit schemes/products & services of the Bank.
9. Issue Demand Drafts, Pay Orders, etc.
10. Display Time - Norms for various banking transactions.
11. Pay interest for delayed credit of outstation cheques, as advised by Reserve Bank of India (RBI) from time to time.
12. Accord immediate credit in respect of outstation and local cheques up to a specified limit subject to certain conditions, as advised by RBI from time to time.
13. Provide complaint/suggestion box in the branch premises.
14. Display address of Regional/Zonal and Central Offices as well as Nodal Officer dealing with customer grievances/complaints.

FAIR BANKING PRACTICES

Customers are requested to:

1. Ensure safe custody of cheque book and pass book.
2. Preferably use reverse carbon while writing a cheque.
3. Issue crossed/account payee cheques as far as possible.
4. Check the details of the cheque, namely, date, amount in words and figures, crossing etc., before issuing it. As far as possible, issue cheques after rounding off the amount to nearest rupee.
5. Not to issue cheque without adequate balance; maintain minimum balance as specified by the Bank.
6. Send cheques and other financial instruments by Registered Post or by courier.
7. Bring pass book while withdrawing cash from savings bank account through withdrawal slip. Get pass book updated from time to time.
8. Use nomination facility.
9. Note down account numbers, details of FDR, locker numbers, etc. separately.
10. Inform change of address, telephone number, etc. to the Branch.
11. Inform loss of demand draft, fixed deposit receipt, cheque leave (s)/book, key of locker, etc. immediately to the Branch.
12. Avail standing instructions facility to repeat transactions.
13. Provide feedback on our services.
14. Pay interest, installments, locker rent and other dues on time.
15. Avail services such as ATM, ECS, NEFT, RTGS, etc. if offered by the branch.
16. Bring any deficiency in services to the notice of the branch.
17. Not to sign blank cheque/s and also do not record your specimen signature either on pass book or on cheque book.
18. Not to introduce any person who is not personally known to you for the purpose of opening account.

COMMON AREAS OF CUSTOMER-BANKER RELATIONSHIP

a) SAVINGS BANK ACCOUNT

1. These accounts are designed to help the individuals (personal customers) to inculcate habit of saving money and to meet their future requirement of money. The amounts can be deposited/ withdrawn from these accounts by way of cheques/ withdrawal slips/ through ATM Cards. It helps the customers to keep minimum cash at home besides earning interest.
2. Savings Bank accounts are very popular. These accounts can be opened by eligible person/s and certain organization/agencies (as approved by the Reserve Bank of India (RBI).
3. As required by law, while opening this account we will satisfy ourselves about the identity, including verification of address, of a person/s seeking to open an account, to assist in protecting the prospective customer/s, members of the public and ourselves against fraud and other misuses of the banking system.
4. The Bank requires a satisfactory introduction of the person/s opening the account by a person acceptable to the Bank.
5. The Bank is required to obtain two recent photographs of the person/s opening the account, as per R.B.I. directives.
6. The Bank is required to obtain Permanent Account Number (PAN) or General Index Register (GIR) Number or alternatively obtain declaration in Form No. 60 or 61 as per the Income Tax Act (vide Section 139 A) from the person/s opening the account.
7. The Bank will provide to the prospective customers details of the documents required for identification of the person/s opening the account in addition to a satisfactory introduction. Documents normally accepted are the current gas/telephone/electricity bill or ration card or voter's identity card or driving license or passport, etc.
8. The account holder is required to maintain certain minimum balance in the account, as specified by the Bank from time to time, depending on, whether account holder wants to avail the cheque book facility or not. Non-compliance of this would attract service charges.

9. Interest at 4% p.a. is presently being paid on half yearly basis depending on the daily balance outstanding in the account, provided it works to minimum Re. 1/-.

10. Cheques, dividend warrants drawn in the name of account holder/s will only be collected through this account. Financial Instruments endorsed in favor of the account holder/s will not be collected through savings bank account.

b) CURRENT ACCOUNT

1. Current Accounts can be opened by individuals, partnership firms, private and public limited companies, HUFs/specified associates, societies, trusts, etc.

2. As required by law, while opening this account we will satisfy ourselves about the identity, including verification of address, of a person/s seeking to open an account, to assist in protecting the prospective customer/s, members of the public and ourselves against fraud and other misuses of the banking system.

3. The Bank requires a satisfactory introduction of the person/s opening the account by a person acceptable to the Bank.

4. The Bank is required to obtain two recent photographs of the person/s opening/operating the account, as per R.B.I. directives.

5. The Bank is required to obtain Permanent Account Number (PAN) or General Index Register (GIR) Number or alternatively obtain declaration in Form No. 60 or 61 as per the Income Tax Act (vide Section 139 A) from the person/s opening the account (i.e. including partners of Registered/Unregistered partnership as also Registered/Incorporated bodies/companies).

6. The Bank will provide to the prospective customers details of the documents required for identification of the person/s opening the account in addition to a satisfactory introduction. Documents normally accepted are the current gas/telephone/electricity bill or ration card or voter's identity card or driving license or passport, etc.

7. Minimum balance as stipulated from time to time will be required to be maintained.

8. No interest is paid on credit balances kept in current account.

9. **Service charges are levied for:** Ledger folio used, Cheque books issued, Non-maintenance of minimum balance, Return of cheques, etc.

10. For opening special types of current accounts like for Executors, Administrators, Trustees, Liquidators etc., the Branch Manager may be contacted who will help in opening these type of accounts.

c) TERM DEPOSIT ACCOUNTS

Bank has tailored various deposit schemes to suit the needs and expectations of investing people in every walk of life.

Branch staff shall welcome you to seek more details and shall also be glad to assist in the area of investment in various deposit schemes vis-a-vis your requirement.

Term Deposit accounts can be opened by individuals, partnership firms, private and public limited companies, HUFs/specified associates, etc.

1. As required by law, while opening this account we will satisfy ourselves about the identity, including verification of address, of a person/s seeking to open an account, to assist in protecting the prospective customer/s, members of the public and ourselves against fraud and other misuses of the banking system.
2. The Bank requires a satisfactory introduction of the person/s opening the account by a person acceptable to the Bank
3. The Bank is required to obtain two recent photographs of the person/s opening the account, as per R.B.I. directives.
4. The Bank is required to obtain Permanent Account Number (PAN) or General Index Register (GIR) Number or alternatively obtain declaration in Form No. 60 or 61 as per the Income Tax Act (vide Section 139 A) from the person/s opening the account.
5. The Bank will provide to the prospective customers details of the documents required for identification of the person opening the account in addition to a satisfactory introduction. Documents normally accepted are the current gas/telephone/electricity bill or ration card or voter's identity card or driving license or passport, etc.
6. Premature withdrawals are allowed, unless specified otherwise, at the rate of interest applicable for the period for which the deposit has run or the contracted rate whichever is lower, subject to penalty, if any prescribed by the Bank. No interest will be paid on premature withdrawals of deposit which has remained with the Bank for less than 15 days.
7. Generally loans/overdrafts against deposits are allowed except on Certificates of Deposit (CD) such loans are sanctioned by charging interest at rates directed by RBI from time to time or as prescribed by the Bank.
8. Deposits are renewed by the Bank on due dates on request. As a measure of good customer service, the Bank may intimate the depositor in advance regarding date of maturity.

9. Interest on deposits is payable either monthly at discounted value or quarterly or compounded quarterly (i.e., reinvestment of interest) or on the date of maturity at the option of the depositor as applicable under particular deposit scheme.

10. Interest on overdue deposit is paid if the deposit is renewed, as decided by the Bank from time to time.

11. Interest on bank deposits is exempt from income tax upto a limit specified by Income Tax authorities from time to time.

12. Presently, if the total interest on deposits, per depositor, per financial year exceeds Rs.10,000/-, the same is subject to Tax Deduction at Source (TDS) at the rates stipulated by the Income Tax Authorities.

13. The depositor may furnish declaration in Form No. 15 H preferably at the commencement of the Financial Year for receiving interest on deposits without deduction of tax.

14. The Bank will issue TDS Certificate for the tax deducted.

d) PAYMENT OF BALANCE IN ACCOUNTS OF THE DECEASED CUSTOMERS TO SURVIVORS/CLAIMANTS

As directed by the RBI, the banks may not insist on succession certificate from legal heirs irrespective of amount involved. However, the banks may adopt such safeguards in considering settling of claims as appropriate including accepting an indemnity bond.

e) STANDING INSTRUCTIONS

Standing instructions can be given to the Bank for transfer/remittance of funds from one account to other account/s maintained in the same branch, any other branch of the Bank or any other bank or any other third party

f) SAFE DEPOSIT LOCKERS

The facility of Safe Deposit Lockers is an ancillary service offered by the Bank. The Bank's branches offering this facility will indicate/display this information.

The major aspects governing the services are:

1. A locker may be hired by an individual (not minor), firms, limited companies, specified associations and societies, etc.
2. Nomination facility is available to individual hirer of Safe Deposit Locker.
3. Loss of key should be immediately informed to the Branch.

4. Lockers are available in different sizes.
5. Lockers are rented out for a minimum period of one year. Rent is payable in advance. In case of overdue rent, the Bank will charge penalty as decided from time to time.
6. With standing instruction, the rent may be paid from the deposit account of the hirer.
7. The Bank will hire locker to properly introduced persons.
8. The Bank reserves right to break open the locker if the rent is not paid inspite of giving notices as per the Bank rules and recover charges thereof.

g) **ARTICLES IN SAFE CUSTODY**

Articles like shares, securities, etc. can be kept in safe custody with the Bank on prescribed charges wherever such facility is offered. Large/ small boxes must be locked by the customer(s) and particulars must be written/ painted thereon. The lock should be covered by stout cloth and sealed with the customer's seal. Relationship of Banker and customer shall be that of Bailer and Bailee.

h) **NOMINATION**

Nomination facility is available for all deposit accounts, articles in safe custody and safe deposit vaults.

Nomination is available for accounts opened in individual capacity (i.e. single/joint accounts as well as accounts of a sole proprietary concern) only, i.e. not for accounts opened in representative capacity.

Nomination can be done in favor of one person only. However, nomination in favor of more than one person (i.e. upto 2 persons) is permissible in jointly operated locker accounts with common consent.

Nomination can be made, cancelled or varied by the account holder anytime during his/her life time. While making nomination, cancellation or variation, witness is required and the request should be signed by all account holders.

Nomination can be made in favor of a minor also.

For the existing accounts where nomination is not made, the account holder/s can do so by filling up form available with the branches.

Customers (new as well as existing) are advised to avail nomination facility, if they have not availed so far.

i) REMITTANCE SERVICE

Customers may remit funds from one centre to another centre by paying specified charges as per Bank's rules.

Any Savings Bank Account (OR) Current Account (OR) Over Draft Account in any of our networked branch can now receive instant remittances. You can also use this facility to quickly send funds, to any person who has an account in any of our networked branches.

Customers can utilize the facility of National Electronic Fund Transfer (NEFT) and Real Time Gross Settlement System (RTGS) operated through RBI for transferring funds between banks within in India.

Demand Drafts, Telegraphic Transfers, Travelers cheques, NEFT, will be issued by the bank only by debit to customer's account against cheques or other instruments tendered by the customer and not against cash payment.

j) ISSUE OF DUPLICATE DEMAND DRAFT

As directed by RBI, the bank will issue duplicate demand draft upto Rs. 5,000/- on the basis of adequate indemnity and without obtaining non-payment advice from the drawee branch. As directed by the RBI, the bank will issue duplicate demand draft to the customer within a fortnight from the receipt of request. For delay in issuing duplicate draft beyond the above stipulated period, the bank will pay interest at the rate applicable for fixed deposit of corresponding maturity in order to compensate the customer for such delay.

k) CASH ORDER (i.e PAY ORDER, BANKER'S CHEQUE)

Cash Order is issued for making payment locally.

Issue / payment of Cash Order for Rs. 50,000/- and above is to be made only through the bank account.

Validity period of Cash Order is 3 months. This can be revalidated by issuing branch on written request of the purchaser.

l) COLLECTION SERVICE

Immediate credit of local as well as outstation cheques up to Rs. 15,000/- (as per RBI guidelines from time to time) is provided to the individuals (personal customers) who are maintaining satisfactory accounts. However, the customers will have to bear usual service charges as well as the postal charges. In the event of cheques being returned unpaid, the customer will have to pay interest for the period for which fund is utilized.

All cheques (local and outstation) deposited by the customers are cleared by the Bank as follows:

LOCAL CLEARING:

Cheques are cleared normally on the third working day (i.e T+2), depending on the centre subject to depositing of the cheques/instruments in time.

NATIONAL CLEARING:

Cheques drawn on Metropolitan centres listed in national clearing are cleared within maximum of 7 days.

The bank will credit the proceeds of an outstation cheque within in the following time norms:

- State Capital other than North Eastern States & Sikkim- maximum 10 working days
- Other centres – maximum 14 working days.

If the Bank fails to do so, interest will be paid at the rate applicable for appropriate tenure of fixed deposit for the period of delay beyond the stipulated days mentioned above. Further, if the delay is abnormal then penal interest at the rate of 2% above fixed deposit rate applicable will also be paid.

Customers are requested to deposit their cheques within the stipulated time frame at the branches.

m) **COLLECTION OF GOVT. DUES**

The bank handles collection of various taxes on behalf of Govt. of India through selected designated branches.

n) **EXCHANGE OF SOILED/SLIGHTLY MUTILATED CURRENCY NOTES**

All the branches of the bank will exchange freely soiled/ slightly mutilated currency notes and certain other types of mutilated currency notes of all denominations. The bank's currency chest branches will exchange all categories of mutilated currency notes. Currency exchange facility is offered to the bank's customers and others. The bank follows RBI guidelines in this respect. RBI has permitted the bank to exchange mutilated currency notes which are genuine and where mutilations are such as not to cause suspicion or fraud.

o) **INTEREST ON DEPOSITS**

The bank pays interest on deposits as per various deposit schemes.

Interest rates are revised from time to time and made known to public.

Revised interest rates are applicable only to the renewals and fresh deposits while the existing deposit continues to get interest at the contracted rate.

p) **SERVICE CHARGES**

The bank provides various services to customers for which service charges are levied. The charges are reviewed /revised from time to time.

Service charges are levied for collection and remittance of funds, processing of loan proposals, issue of guarantees, safe custody, issue of duplicate instruments/statements, ledger folio charges etc. Details of service charges will be made available on request.

TIME-NORMS FOR VARIOUS BANKING TRANSACTIONS *

Srl No	Particulars	Time in Minutes
1.	Savings Bank & Related Services	
a)	Opening of Account	10
b)	Cash Remittance	5
c)	Withdrawal of Cash	5
d)	Issue of Cheque Book	5
e)	Updating of Passbook	10
2.	Current Deposit, Cash Credit & Overdraft A/c	
a)	Opening of Account	10
b)	Cash Remittance	5
c)	Withdrawal of Cash	5
d)	Issue of Cheque Book	5
e)	Closure of Account	10
3.	Term Deposits	
a)	Opening of Account (FD, RD & KND)	10
b)	Loan on Deposits	12
c)	Closure of Accounts on Maturity	10
d)	Premature Closure of Accounts	12
4.	Lodgement of Cheques for Collection	5
5.	Issue of Demand Drafts	5
6.	Payment of Demand Drafts	5
7.	Gold Loans	10

*as per the updated time norms for various banking transactions given in the notice board files.

REDRESSAL OF COMPLAINTS

To enable the customers to voice their grievances or offer suggestions for improvement in customer service, “Customer Service Committee” is conducted at all the branches of the bank across the organization, on a day informed in prior in every month (next working day, if it is a local holiday). During specified hours on this day any customer can meet Branch Heads without prior appointment.

In case of any complaint, the matter may be first brought to the notice of concerned Branch Manager, Customer Care Centre over phone or by letter or email for immediate redressal. If the complaint is not redressed to the satisfaction of the customer, the matter may be taken up with Cluster Head concerned.. Bank is also having an online complaint registering link in the website www.esafbank.com

If the complainant still feels unsatisfied with the responses received, he can address his complaint to the Regional Nodal Officer designated to deal with customers’ complaints /grievances giving full details of the case. If not satisfied with the resolution or not received any reply, he can approach the Principal Nodal Officer of the bank for redressal.

After exhausting all the above machinery/channels, if the customer is not satisfied, he is free to take recourse to the following:

- A. Directorate of Public Grievances, Govt. of India, Cabinet Secretariat, Sansad Marg, New Delhi.
- B. The Banking Ombudsman located in State Capitals under RBI Ombudsman Scheme, 1995.
- C. The District Consumer Forum under Consumer Protection Act, 1985.

Anonymous complaints will not be entertained. All the services and commitments are honored without the citizen having to pay any bribe.

Address of bank's Nodal Officer for redressal of customer complaints:

Principal Nodal Officer
ESAF Small Finance Bank.
ESAF Bhavan, Mannuthy, Thrissur-680651
Email: principalnodalofficer@esafbank.com

Call our 24-hour Customer Care on 1800-103-3723

Contact email id: customercare@esafbank.com

The complaint lodging portal of the RBI Ombudsman is <https://cms.rbi.org.in>

A toll-free number of RBI – 14448 (9:30 am to 5:15 pm)