

**PART A**
**Policy on Door Step Banking**

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**PART B****Policy on Door Step Banking to Senior Citizens and Differently Abled Persons**

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## **PART A**

### **Policy on Door Step Banking**

#### **Preamble**

1. Till March 2005, banks were not allowed to extend any banking facilities at the premises of their customers without obtaining permission from RBI as per Sec.23 of the Banking Regulation Act. Subsequently, the restriction was relaxed to a limited extent by allowing banks to provide doorstep banking services only to Government Departments.
2. Subsequently, RBI has allowed banks to extend doorstep banking to all types of customers including individuals. Though banks need not seek the permission of RBI for extending the Scheme, they have to follow the general principles and broad parameters laid down by RBI in this regard vide RBI Circulars DBOD.BL.BC.59 / 22.01.010 / 2006-2007 dated February 21, 2007 DOR.CO.Leg.BC.No.96 / 09.07.005 / 2017-18 dated November 9, 2017 and DOR.CO.Leg.BC.No.59 / 09.07.005/2019-20 dated March 31, 2020.
3. RBI has also advised the Banks to:
  - i. Prepare a scheme for offering "doorstep" banking services to their customers with the approval of their Boards.
  - ii. Take into account the various risks that may arise to customers directly or through agents and take effective steps to manage the same.
  - iii. Review the Scheme on a half-yearly basis, during the first year of its operation and subsequently on an annual basis.
  - iv. *Prepare a scheme for offering "doorstep" banking services to Senior Citizens and Differently abled persons with the approval of their Boards.*
  - v. *Review the Scheme on a quarterly basis, to the Customer Service Committee of the Board.*

#### **Scope and Potential**

4. At present most of the doorstep banking activities are concentrated on educational institutions where fee collection arrangements are done by the Bank's staff on a prefixed date at the school/college premises.
5. The Doorstep banking policy is formulated to cover the framework for expanding the existing activities.
6. Doorstep services shall be offered by the Bank only to those customers who are fully KYC compliant and has no history of causing report of any Suspicious Transactions or accounts to FIU-IND.

7. The services can be offered either at the residence or at the office of the customer. The address at which the Door step banking service will be given should be clearly and explicitly mentioned in the Door Step Banking agreement with the customer. Such address should be the address of one of the customer for which an address proof is submitted as part of the customer identification exercise and the address should be one of addresses on record.
8. The "Scheme" is not restricted to any particular client/customer or class of customers and will be offered to all customers including individual customers, who are willing to enter into a "Door Step Banking agreement" with the Bank and agree to abide by the rules and regulations and terms and conditions of "Door step Banking" and to bear the charges prescribed for the service as per the "schedule of charges".

### **Services Offered under the Scheme**

9. The following services will be offered by the Bank under the "Door step Banking" scheme:-
  - a) Pick up of Cash
  - b) Pick up of Cheques and other instruments for Collection.
  - c) Delivery of Cash / Drafts, deposit receipts and other security instruments at the doorstep of Customers either against Cheques received at the branches/counters or requests received through any other secured service delivery channels of the Bank such as internet banking

### **KYC Compliance**

10. KYC Compliance by the customers shall be mandatory for availing doorstep banking services.

### **General Terms for usage of service**

11. Cash delivery and pick up facility shall be offered only for Indian rupee transactions, with a restriction on the maximum limit that can be transacted through doorstep banking. Also, the services are offered only during Banking hours and on working days.

### **Eligible Customers**

12. Individual customers, Corporate Customers, Government Departments, Public Sector Undertakings, Business firms, Non-profit organizations like Trusts, Societies and Associations and such other establishments can avail all the above services.
14. In case Doorstep banking service is offered as a feature of a product all the customers who have subscribed the feature is eligible for said service.

## **Delivery of service**

15. Delivery of the services shall be done either through our employees or by engaging Business Facilitators/Service Providers approved by the bank.

## **Power to approve Business Facilitators/Service Providers**

16. Human Resource Department after obtaining approval from committee appointed for outsourcing engagement may approve the Business Facilitators/Service Providers for extending Door step banking service to the customers, as envisaged in this policy document.
17. Where the services of Business Facilitators/ Service Providers are availed, it should be ensured that the terms and parameters as set out in the Outsourcing Policy of the Bank as approved by the Board with reference to selection of Business Facilitators/Service Providers are strictly adhered to.
18. Executive Vice Presidents and above may be empowered to decide on the maximum serviceable distance in which Doorstep banking is offered and whether the facility can be provided at an address other than the registered address of the customer.

## **Delivery Process**

19. The basic delivery process for the Doorstep banking service may be as follows:
  1. Cash/instrument collected from the customer will be acknowledged by issuing a receipt.
  2. Cash collected from the customer will be credited to the customer's account or the instrument presented for clearing/transfer, on the same day or next working day, depending on the time of collection.
  3. The customer will be informed of the date of credit by issuing a suitable advice.
  4. Delivery of demand draft will be done basis the request letter and cheque provided prior to the transaction and not against cash or instruments collected at the doorstep.
  5. Cash delivery services may be offered to the Individuals/corporate clients/ PSUs/ departments of Central and State Governments through mail request with copy of cheque attached and duly confirmed by the branch over telephone with the customer.

## **Limits for Collection/Delivery of Cash**

20. When the Cash is collected or delivered engaging our staff under the "Door Step Banking channel", cadre-wise cash carrying limit fixed and communicated to the branches by CFM Department, in line with the Bankers' Indemnity policy of the Bank should be adhered to.
21. Other terms and conditions stipulated for physical movement of cash between branches in the Manual of Instructions – Volume – 1- Cash & Deposits and also the terms and conditions specified in the Bankers' Indemnity policy, including the requirement of an armed guard accompanying the movement of cash, should also be strictly adhered to.
22. In case an external agency is engaged for the purpose of collection/delivery of cash, the

- same has to be done in accordance to the agreement between the bank and that agency
23. Maximum cash remittance under doorstep banking service is limited to Rs.1 crore, if the service is extended by bank staff or through service providers.

### **Service Charges**

24. All the services rendered under the 'Doorstep Banking' are subject to payment of the minimum service charges, the quantum of which shall be fixed at the time of entering into the arrangement with the customer taking into account the place of collection/delivery and such other criteria.

#### For Cash/Instrument pickup/delivery by using our staff/Service providers/Business facilitators

1. The service charges for engaging by our staff/Service providers /Business facilitators will be fixed by the Bank from time to time and the same shall be mentioned in the Doorstep Banking Agreement to be executed by the customer.
2. Functionaries at the level of Executive Vice Presidents and above are delegated powers to either waive fully or offer concessions on the above service charges, considering the value of the account and other considerations like float funds in the current account, relationship with the customer , business with other concerns of the group etc.

### **Operational Procedure**

25. The customer who intends to avail the Doorstep Banking services should make a request in writing which would inter-alia contain the services opted, place (address) of collection/delivery, etc.
26. If the service rendered is part of a product offered, branches may approve the facility as per the product feature and send a copy of the approval to Retail Banking Department (RBD) who will capture the data for MIS purposes.
27. If the service rendered is not part of a product offered, branches have to submit a proposal along with the customer's request to their Regional Office, seeking approval/sanction for extension of Doorstep Banking Service/s to the applicant.
28. RO head should either accept or reject the request of the customers for extending doorstep services received from the branches. If accepted a pucca proposal with the recommendation of the RO should be forwarded to RBD.
29. Head of RBD shall be the authority for sanctioning the “Door step Banking” facility for a

customer.

30. On receipt of approval from the sanctioning authority, branches have to enter into an agreement with the respective customer in the prescribed format of “Door step Banking agreement” which is approved by Legal Department.
31. After executing the agreement as above, RBD would send a letter of intent to the service provider to initiate the process as per the terms and conditions agreed between the service provider and the bank.

### **Precautions to be taken while extending cash related services**

32. The security aspects with regard to cash movement shall be governed by the guidelines prescribed in the Manual of Instructions on Cash Handling and Security Policy of the Bank.
33. Before accepting a request for cash pick up/delivery, branches should ensure that proper security infrastructure is available with them to carry out the service as requested by a customer.
34. In case the branch expects that the cash balance may exceed their limit by the picked up cash, then they may also have to ensure proper arrangement for remitting the same into a currency chest on the same day.
35. The existing Bankers’ Indemnity policy of the Bank from National Insurance Company Ltd. has a clause covering collection/delivery of cash at the doorsteps of the customers. However, P&M Department should ensure that periodical renewal of the policy is done, with cover for cash movement under the “Door step banking” channel involving our staff and outsourced agencies.
36. It should be the endeavor of the branches concerned to extend the service with the existing infrastructure. However, in special cases, Regional heads can recommend to RBD to arrange for outsourcing of the same subject to the Bank's Policy and extant guidelines in this regard.
37. The employees/business facilitator (if any) entrusted with the collection of cash from the customer’s place should be sufficiently trained in detecting the forged and counterfeit currency notes and also should be aware of the procedures for handling counterfeit currency notes detected by them.

### **Risk Mitigation**

38. Some of the risks which are likely to emerge on account of offering “Door Step Banking” are:
  - a. Loss of Cash or cheques / other instruments during transit either by way of burglary or otherwise.

- b. Counterfeit/forged currency notes along with the cash received from the customer's place.
  - c. Fraud by the out sourced agency/personnel
  - d. Employee frauds
  - e. Customer complaints and claims that may arise for non-adherence of time lines specified for each service in the "Door step Banking" agreement.
  - f. The authorized customer personnel for receiving cash is not present when the concerned personnel arrives for delivering cash.
39. The guidelines to mitigate risks mentioned in point 38 is a part of the "Doorstep Banking agreement"

### **Doorstep Banking Agreement**

40. A model agreement for "Doorstep Banking" prepared by Legal Department and vetted by Compliance Department is updated to branches through Circular.
41. The agreement is prepared basis the inputs collected from concerned Head Office Departments, Regional Offices and branches.

### **Role of Regional Offices**

42. If the service offered is not part of a product offered, regional heads can recommend to RBD to outsource the services (collection/delivery of cash and cheques / instruments) as per the outsourcing policy in vogue, after a careful analysis of the cost - benefit.
43. Regional Heads can recommend for waiver or reduction in service charges provided all out of pocket expenses are recovered in full. In short, the expenditure incurred should be totally reimbursed without any loss to the bank on account of extending the doorstep services.

### **Role of Various Departments**

44. RBD is marketing the "Doorstep Banking" channel as a customized product to all eligible and desirable customers.
45. An application form and agreement format for "Doorstep Banking", duly vetted by the Legal Department is published by Compliance Department for ready use by the branches.
46. RBD extends that "Doorstep Banking" facility to valued potential and existing customers like corporate and high net worth individuals for sourcing the accounts and also for retaining the existing customers with us.
47. All the existing standalone arrangements for "Doorstep Banking" offered by some of the branches to their valued customers is regulated, accounted and developed in terms of this



doorstep banking policy by RBD.

48. A review of the "Doorstep Banking" product with details of accounts in which the facility is granted, is placed by RBD before MD & CEO on an annual basis.

### **Grievance Redressal Mechanism**

49. RBD shall be redressing complaints on the services rendered by, or personnel/agents/Business Facilitators under the Doorstep Banking Scheme.
50. The Regional heads shall act as the designated Grievance Redressal officer of the respective Region and the head of RBD or such other personnel who is designated as the Nodal officer for customer complaints should act the Nodal officer for the complaints emanating on issues related to Door step Banking also.
51. The names and telephone numbers of these officers shall be made available to the customers both at the branch and also on the Bank's website.

### **Authority for future amendment to the Scheme**

52. MD & CEO or the concerned Executive Vice President/s of the Bank shall be the authority for approving any future amendment/modification to the Scheme or to withdraw the Scheme either in part or in full and also for relaxation of any of the norms including Service Charges.

### **Existing Door step banking facility**

53. Doorstep banking facility allowed to various customers by the branches and regional offices should be reviewed and regularized by RBD for the terms and conditions, which should be in line with this policy document and deviations and exemptions, if any, shall be approved by the concerned Executive Vice President. The exercise should be completed within 2 months of approving the policy by the Board of Directors.

### **Annual Review of Policy**

54. The policy shall be subject to annual review by the Bank's Board of Directors.
55. Subsequent review of the policy shall be placed by Retail Banking Department (RBD)

## **PART B**

### **Policy on Door Step Banking to Senior Citizens and Differently Abled Persons**

#### **Purpose of the policy**

The purpose of the Doorstep Banking Policy document is to provide guidance and to create awareness on Doorstep Banking Services to Senior Citizens and Differently abled Persons across the Bank.

#### **Objective of the policy**

This Policy sets out the broad parameters of the services to be offered and such as lifting of cash and collecting credit instruments, etc., to whom it will be offered, among other general guidelines and to serve as a one-point reference besides creating awareness in the Bank.

#### **Regulatory reference**

RBI has permitted the banks to extend doorstep banking to all types of customers including individuals. The general principles are being followed as per the directions of RBI in this regard (vide RBI letter No. DBOD. BL. BC. 59 /22.01.010/2006-2007 dated February 21, 2007).

4. Reserve Bank of India, vide their circular No. RBI/2017-18 DBR No.LEG.BC.96/09.07.005/2017-18 dated November 9, 2017 and DOR.CO.Leg.BC.No.59 / 09.07.005/2019-20 dated March 31, 2020. , reiterated that in view of difficulties faced by senior citizens of more than 70 years of age and differently abled or infirm persons. Banks are advised to make concerted effort to provide basic banking facilities at the premises / residence of such customers.

Banks are further advised by RBI to

- a. Prepare a scheme for offering "doorstep" banking services to their customers with the approval of their Boards.
- b. Take into account the various risks that may arise to customers directly or through agents and take effective steps to manage the same.
- c. Review the Scheme on a quarterly basis, to the Customer Service Committee of the

Board.

- d. Further Review the policy on an annual basis.

### **KYC Compliance**

KYC Compliance by the customers shall be mandatory for availing doorstep banking services.

### **General Terms for usage of service**

Cash delivery and pick up facility shall be offered only for Indian rupee transactions, with a restriction on the maximum limit that can be transacted through doorstep banking. Also, the services are offered only during Banking hours and on working days.

### **Doorstep Banking to Senior Citizens and Differently abled persons**

5. Reserve Bank of India, vide their circular No. RBI/2017-18/89 DBR No. Leg.BC.96/09.07.005/2017-18 dated November 9, 2017 and DOR.CO.Leg.BC.No.59 / 09.07.005/2019-20 dated March 31, 2020, reiterated that in view of difficulties faced by senior citizens of more than 70 years of age and differently abled persons including visually impaired persons, banks are advised to make concerted effort to provide basic banking facilities such as pick up of cash and instruments against receipt, delivery of cash against withdrawal from account, delivery of demand drafts, submission of know your customer(KYC) documents and Life Certificate at the premises/residence of such customers.

#### **a. Services offered**

1. Pickup and delivery of cash
2. Pick up of Cheques/Drafts/Instruments for clearing.
3. Delivery of Drafts.
4. Pick-up and delivery of FD receipts for renewal and payment.
5. Pick-up and delivery of SB/RD passbooks.
6. Delivery of Account Statements.
7. Pick up of KYC documents.
8. Pick up of 15G/H forms.
9. Other miscellaneous requests.

#### **b. Eligibility**

1. Fully KYC complied Senior Citizens of more than 70 years of age and differently abled or infirm persons (Having medically certified chronic illness or disability) including those who are visually impaired.
2. Single account holders and Joint Account Holders with Either or Survivor/Former or Survivor.

**c. Service Charges**

Service Charge as fixed from time to time for financial transactions and non-financial transactions. The actual vendor charges will be charged separately.

**d. Risk Mitigation**

Some of the risks which are likely to emerge on account of offering “Door Step Banking” are:

- a. Loss of Cash or cheques / other instruments during transit either by way of burglary or otherwise.
- b. Counterfeit/forged currency notes along with the cash received from the customer’s place.
- c. Fraud by the out sourced agency/personnel.
- d. Employee frauds
- e. Customer complaints and claims that may arise for non-adherence of time lines specified for each service in the “Door step Banking” agreement.
- f. The authorized customer personnel for receiving cash is not present when the concerned personnel arrives for delivering cash.

The guidelines to mitigate risks mentioned in point (d) is a part of the “Doorstep Banking agreement”.

**e. Grievance Redressal Mechanism**

RBD shall be redressing complaints on the services rendered by, or personnel/agents/Business Facilitators under the Doorstep Banking Scheme.

The Regional heads shall act as the designated Grievance Redressal officer of the respective Region and the head of RBD or such other personnel who is designated as the Nodal officer for customer complaints should act the Nodal officer for the complaints emanating on issues related to Door step banking also.

The names and telephone numbers of these officers shall be made available to the customers both at the branch and also on the Bank’s website.

**f. Publicity of the facility**

Banks shall give adequate publicity to the availability of these services in their public awareness campaigns. The charges, in this regard, shall also be prominently indicated in brochures and published in their websites.

**Annual Review of Policy**

The policy shall be subject to annual review by the Bank’s Board of Directors. Subsequent review of the policy shall be placed by Retail Banking Department (RBD).

**List of locations where services can be offered through doorstep banking vendors**

- **All Branches of South Indian Bank**