

**CITIZEN'S CHARTER**

The Lakshmi Vilas Bank Ltd. a renowned bank in the peer group provides an extensive range of products to its customers. The Bank has recently launched several value added initiatives and aims to provide a comprehensive suite of best-in-class products for specific market segments in chosen locations.

To be more customer friendly and also to make the field staff conversant with the various customs, procedures and rules, a 'Citizen's Charter' is prepared. This document is made on lines of Model Citizen's Charter published by Indian Bank's Association (IBA) and in keeping with the Code of Bank's Commitment to Customers formulated by Banking Codes and Standards Board of India (BCSBI). It also takes into account RBI directives issued from time to time in the areas of customer service.

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

**Common Practices Followed by our Branches:**

- ✓ Always rendering Courteous services.
- ✓ Displaying of business hours prominently in the banking hall.
- ✓ Attending to all customers present in the banking hall at the close of business hours.
- ✓ Providing separate 'Enquiry' or 'May I Help You' counter at large branches.
- ✓ Offering nomination facility to all deposit accounts (i.e. account opened in individual capacity) & all safe deposit locker hirers (i.e. individual hirers).
- ✓ Displaying interest rates for various deposit schemes on notice board in the branch premises from time to time.
- ✓ Various information in booklet form.
- ✓ Displaying change in interest rates on advances.
- ✓ Providing details of various deposit schemes / services of the Bank.
- ✓ Providing complaint / suggestion box in the branch premises.
- ✓ Displaying names and addresses of Regional Office / Zonal Office as well as Nodal Officer dealing with customer grievances / complaints.

**Fair Banking Practices**

Customers are requested to:

- ✓ Ensure safe custody of cheque book, account statements & Pass book.
- ✓ Preferably use reverse carbon while writing a cheque.
- ✓ Issue crossed / account payee cheques as far as possible.
- ✓ 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.

- ✓ Not to issue cheque without adequate balance; maintain the average minimum monthly / quarterly balance as specified by the Bank.
- ✓ Send cheques and other financial instruments by Registered Post or by reputed courier.
- ✓ Get pass book updated from time to time.
- ✓ Use nomination facility.
- ✓ Keep the account / locker numbers, debit cards, details of FD, account statements, Pins etc., separately & safely.
- ✓ Inform change of address, telephone number, etc., to the Branch.
- ✓ Inform loss of demand draft, debit card, cheque leave (s)/book, key of locker, etc., immediately to the Branch.
- ✓ Avail standing instructions facility for repeat transactions.
- ✓ Provide feedback on our services.
- ✓ Pay interest, installments, locker rent and other dues on time.
- ✓ Avail services such as ATM, ECS, NEFT, RTGS, etc., if offered by the branch.
- ✓ Bring any deficiency in services to the notice of the branch.
- ✓ Not to sign blank cheque/s and also do not record your specimen signature either on pass book or on cheque book.
- ✓ Do not write your Internet Banking password / pin number on Debit card.
- ✓ Do not allow anyone else to use your card, PIN, password or other security information.
- ✓ Always take reasonable steps to keep your card safe in your personal custody and your PIN, password and other security information secret at all times.
- ✓ If you opt to change your PIN you should choose your new PIN carefully.
- ✓ Keep you card receipts safe and dispose them off carefully.
- ✓ Never give your account details, password or other security information to anyone unless you know who they are and why they need them and thereafter keep the matter followed up so that the same is not misused.
- ✓ Not to introduce any person who is not personally known, for the purpose of opening of account.

## **COMMON AREAS OF CUSTOMER-BANKER RELATIONSHIP**

### **Savings Bank Account**

- ❖ 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 deposit slips / ATM and cheques / Debit cards. It helps the customers to keep minimum cash at home besides earning interest.
- ❖ 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) from time to time).
- ❖ 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.

- ❖ The bank requires a satisfactory introduction of the person(s) opening the account by a person acceptable to the bank and also the Bank requires relevant documents for identification of the person(s) opening the account. The necessary documents will be advised at the time of account opening.
- ❖ The Bank is required to obtain two recent photographs of the person(s) opening the account.
- ❖ As per the provisions of Section 139A of the Income Tax Act, 1961, while opening an account, the Bank is required to obtain Permanent Account Number (PAN) of the person/s opening the account. In the absence of PAN, Bank should obtain a declaration in Form No. 60 or 61 as the case may be from the person/s opening the account.
- ❖ The Bank will provide to the prospective customers details of the documents required for identification of the person/s opening the account. The list of document is available on the application form which is available at all our branches and also on the website [www.lvbank.com](http://www.lvbank.com).
- ❖ The account holder is required to maintain certain minimum balance in the account, as specified by the Bank from time to time. Noncompliance of this would attract service charges. With effect from 1<sup>st</sup> April 2010, interest on the savings bank account will be calculated on daily product basis. Interest at 4% is presently paid to SB account holders.
- ❖ Cheques, dividend warrants drawn in the name of account holder(s) will only be collected through this account. Financial Instruments endorsed in favour of the account holder/s will not be collected through savings bank account.

### **Current Account**

- ❖ Current Accounts can be opened by individuals, partnership firms, private and public limited companies, HUFs/specified associates, societies, trusts, etc.
- ❖ As required by law, while opening this account we will satisfy ourselves about the identity, including verification of address, of the prospective customer(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.
- ❖ The Bank requires a satisfactory introduction and the relevant KYC related documents for identification of the prospective customer(s) opening the account. The necessary documents will be advised at the time of account opening.
- ❖ The Bank is required to obtain two recent photographs of the prospective customer(s) opening/operating the account.
- ❖ As per the provisions of Section 139A of the Income Tax Act, 1961, while opening an account the Bank is required to obtain Permanent Account Number (PAN) of the prospective customer's opening the account. In the absence of PAN, Bank should obtain a declaration in Form No. 60 or 61 as the case may be from the prospective customer(s) opening the account.
- ❖ The Bank will provide to the prospective customer(s) details of the documents required for identification of the prospective customer(s) opening the account. The list of document is available on the application form which is available at our branches and also on the website [www.lvbank.com](http://www.lvbank.com)
- ❖ Current account customers need to maintain certain minimum balance as stipulated from time to time.
- ❖ No interest is paid on credit balances kept in current account.
- ❖ Service charges are levied as stipulated by the bank from time to time.

- ❖ For opening special types of current accounts like for Executors, Administrators, Trustees, Liquidators etc., please contact our nearest branch and the staff will help in opening these types of accounts.
- ❖ As per RBI directive, the applicant (i.e. account opening Person(s)) should declare in the account opening form or separately that he/she is not enjoying any credit facility with any bank and if he/she does enjoy any facility / facilities he/she should declare full particulars thereof indicating the name of the bank and the name of the branch wherefrom he has availed these facilities.

### **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.

- ❖ 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.
- ❖ The Bank requires a satisfactory introduction and the relevant documents for identification of the person(s) opening the account acceptable to the bank. The necessary documents will be advised at the time of account opening.
- ❖ The Bank is required to obtain two recent photograph of the person/s opening the account.
- ❖ As per the provisions of Section 139A of the Income Tax Act, 1961, while opening an account the Bank is required to obtain Permanent Account Number (PAN) of the person/s opening the account. In the absence of PAN, Bank should obtain a declaration in Form No. 60 or 61 as the case may be from the person/s opening the account.
- ❖ The Bank will provide to the prospective customers details of the documents required for identification of the person opening the account in addition to satisfactory introduction. The list of documents accepted by the bank is available on our application form and also available on the website [www.lvbank.com](http://www.lvbank.com).
- ❖ 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 the minimum period for which deposits are being accepted by the bank from time to time.
- ❖ 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.
- ❖ Deposits are auto renewed by the Bank on due dates. As a measure of good customer service, the Bank may intimate the depositor in advance regarding date of maturity.
- ❖ Interest on deposits is payable monthly on discounted rate or quarterly or compounded quarterly and paid at maturity (i.e., reinvestment of interest), as applicable under the particular deposit scheme and depositor's request.
- ❖ Interest on overdue deposit is paid if the deposit is renewed, as decided by the Bank from time to time.

- ❖ For resident individuals, interest on bank deposits is exempt from income tax upto a limit specified by Income Tax authorities from time to time.
- ❖ Presently, if the total interest on deposits, per resident individual depositor, per branch, 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.
- ❖ The depositor may furnish declaration in Form No. 15 H / Form No. 15 G preferably at the commencement of the every Financial Year along with PAN number for receiving interest on deposits without deduction of tax.
- ❖ The Bank will issue TDS Certificate for the tax deducted.

#### **PAYMENT OF BALANCE IN ACCOUNTS OF THE DECEASED CUSTOMERS TO SURVIVORS / CLAIMANTS**

The Bank will not insist on succession certificate from legal heirs irrespective of amount involved. However, the bank may adopt such safeguards in considering settling of claims as appropriate including accepting an indemnity bond.

#### **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.

#### **SAFE DEPOSIT LOCKERS**

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

The major aspects governing the services are:

- A locker may be hired by an individual (not minor), firms, limited companies, specified associations and societies, etc.
- Nomination facility is available to individual hirer of Safe Deposit Locker.
- Loss of key should be immediately informed to the Branch.
- 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.
- With standing instruction, the rent may be paid from the deposit account of the hirer.
- The Bank will let out locker only if the required documents for identification and other required documents are provided and also the availability.
- The Bank reserves the 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.
  - The locker is not operated for one year or more even if the rent is paid regularly.

#### **NOMINATION**

Nomination facility is available for all deposit accounts 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 favour of one person only.

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

### **REMITTANCE SERVICE**

Customers may remit funds from one centre to another centre by Demand Draft, Funds Transfer through CBS, Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT) etc. at all branches, by paying specified charges as per the Bank's rules. Demand drafts, Funds Transfers for Rs.50,000/- and above will be issued by the bank only by debit to the customer's account and not against cash payment. For such transactions, PAN Number is required. Similarly, such payments for Rs.20,000/- and above will be made through banking channels invariably with account payee crossing and not in cash.

### **CASHIER'S ORDER (i.e. PAY ORDER, BANKER'S CHEQUE)**

Pay Order is issued for making payment locally.

Issue/payment of Cashier's order for ₹ 20000/- and above is to be made only through the bank account.

Validity period of Cashier's order is 3 months with effect from 01.04.2012. This can be revalidated by the issuing branch on written request of the purchaser along with the original instrument.

### **COLLECTION SERVICE**

Bank will consider providing immediate credit for outstation cheques up to the aggregate value of ₹ 15000/- tendered for collection by individual account holders subject to satisfactory conduct of such account for a period of not less than 6 months. This facility will be provided only for those cheques that are drawn on the Bank's Branch locations. Bank will levy normal collection charges as well as the postal charges. In the event the cheque is returned unpaid, interest will be recovered from the date of credit of the cheque till date on which the amount is made good to the Bank. The facility of immediate credit will be provided only upon specific request made by the customer.

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

- ❖ **HIGH VALUE CLEARING:** This facility is available for the clients of selected branches at designated centres. Cheques presented through high value clearing are cleared on the same day.
- ❖ **LOCAL CLEARING:** Cheques are cleared normally on the second working day, depending on the centre subject to depositing of the cheques/instruments in time.
- ❖ **NATIONAL CLEARING:** Cheques drawn on Metropolitan centres where the Bank has a branch are cleared in 7 days. Cheques drawn on Metro cities and State capitals where the Bank does not have a branch will be cleared in 10 days. All cheques drawn on other centres are cleared in 14 days.

The Bank will credit the proceeds of an outstation cheque within the following time norms

- ❖ State Capital other than North Eastern States & Sikkim: 10 working days
- ❖ Other centres: 14 working days

If the Bank fails to do so, interest will be paid at the rate applicable for appropriate tenure of term 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 term deposit rate applicable will also be paid.

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

### **EXCHANGE OF SOILED CURRENCY NOTES**

The bank accepts soiled notes from customers for exchange.

### **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 existing deposit continue to get interest at the contracted rate.

### **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, etc. Details of service charges will be made available on request and details available on website / displayed on notice board at branches.

### **TIME-NORMS FOR VARIOUS BANKING TRANSACTIONS**

S.No	Transaction activity	Processing time
1	Cash deposits at counter	Upto 15 Minutes
2	Cash withdrawals at counter	Upto 15 Minutes
3	Issuance/Payment of Demand Draft/Cashier Order/Fixed Deposit Receipt	Upto 20 Minutes
4	Opening of an account	Upto 25 Minutes
5	Passbook updation	Upto 15 Minutes
6	Collection of Local Cheque (Non High Value)	Normally within 2 days
7	Collection of Outstation Cheque	Normally within 14 days
8	Statement of accounts	Normally within 7 days

## **Advances**

### **Lending Schemes:**

The Bank has formulated various lending schemes for individuals, businessmen, professionals, Small and Medium Enterprises, Corporates, Agriculturists, etc., as per their requirements. All the details of the advances, priority sector advances, retail loan products are available on the bank's website [www.lvbank.com](http://www.lvbank.com).

### **FOREIGN EXCHANGE TRANSACTIONS**

The Bank offers a wide range of Foreign Exchange Services to all customers, through its branches. All Foreign Exchange transactions are conducted subject to Rules and Regulations under the Foreign Exchange Management Act, 1999 (FEMA). For more information, please contact the branches.

### **NON RESIDENT INDIAN ACCOUNTS**

Commonly known as "NRI accounts" . Various types of bank accounts in India are opened for Non Resident Indians / Person of Indian origin. For more information on such accounts please refer to the 'NRI Accounts' in website and also contact nearest branches.

### **WEALTH MANAGEMENT**

The Bank offers a broad range of banking and wealth management solutions tailored to meet the needs of various customer segments.

On the Insurance front, the Bank has tied-up with LIC (Life Insurance Corporation of India) for Life Insurance Business and Bajaj Allianz Limited for Non-Life Insurance. The Bank distributes a host of Life and Non Life products which are offered by its two partners.

On the wealth management front, the Bank provides its customers with a comprehensive product Suite which includes the following:

#### **Mutual Funds:**

Tied-up with 16 AMCs - A pool of funds collected from many investors that are invested in securities such as stocks, bonds, money market instruments and similar assets.

#### **Demat:**

A depository account facilitates holding of securities in dematerialized/ electronic form for the depository account holder.