

PPB

Crash course

Module- A

Lec-8

Financial Inclusion and Financial Literacy



Financial Inclusion: Bridging the Gap

Financial inclusion means providing affordable basic financial services to disadvantaged and low-income segments of society who would otherwise be excluded. These services include payments, remittances, savings, loans, and insurance products delivered through the formal financial system.

The growth of NGOs and Self-Help Groups has significantly facilitated financial inclusion, inclusion, particularly enabling social and economic inclusion of women. Financial institutions now recognize the huge business potential in meeting the unmet demand for demand for financial services from the excluded population.

The Expanding Microfinance Ecosystem

The microfinance sector has evolved significantly, expanding from basic credit and thrift products to include:



Micro Insurance

Affordable insurance products designed for low-income populations with limited coverage amounts but critical protection.



Micro Pension

Small-scale retirement savings schemes enabling the underprivileged to build long-term financial security.



Digital Payments

Low-cost electronic payment solutions providing secure alternatives to cash transactions for the unbanked.

This expansion presents an opportunity to extend the benefits of financial development to those at the bottom of the pyramid while serving the underprivileged.





Business Facilitator Model

Under the Business Facilitator (BF) model, banks can use various intermediaries to provide facilitation services without conducting actual banking business:

Eligible Entities

- NGOs and Self-Help Groups
- Farmers' Clubs and Cooperatives
- Community-based organizations
- IT-enabled rural outlets
- Post offices and Insurance agents
- Well-functioning Panchayats
- Krishi Vigyan Kendras
- KVIC/KVIB units

Scope of Activities

- Identifying borrowers and activities
- Processing loan applications
- Creating awareness about savings
- Providing money management advice
- Promoting self-help groups
- Post-sanction monitoring
- Follow-up for recovery

No RBI approval is required for banks to use these intermediaries for the facilitation services listed above.

Business Correspondent Model

The Business Correspondent (BC) model allows scheduled commercial banks including RRBs and LABs to engage BCs to extend banking services, subject to specific guidelines:

Bank Requirements

- Board-approved policy for engaging BCs
- Due diligence of individuals/entities prior to engagement
- Assessment of reputation, financial soundness, and governance
- Evaluation of cash handling ability and technology implementation capability

Eligible BC Entities

- Individuals (retired employees, shop owners, PCO operators, etc.)
- NGOs and Micro-Finance Institutions
- Cooperative societies and Post Offices
- Companies with large retail outlets
- Non-deposit taking NBFCs (for commercial banks)

The BC model carries significant reputational, legal, and operational risks. Banks must adopt technology-based solutions for managing these risks while increasing outreach in a cost-effective manner.



Scope of Activities for Business Correspondents

Business Correspondents can perform a wide range of activities to extend banking services to underserved areas:

Customer Acquisition

- Identifying borrowers
- Preliminary processing of loan applications
- Creating awareness about financial products
- Providing financial education

Transaction Services

- Disbursing small value credit
- Collecting small value deposits
- Handling small value remittances
- Distributing banknotes and coins

Product Distribution

- Selling micro insurance products
- Offering mutual fund products
- Providing pension products
- Distributing other third-party products

Banks may also use BCs for preliminary work relating to account opening formalities, expanding their reach into previously unbanked areas.

Risk Mitigation in BC Operations

The arrangements with Business Correspondents must specify several risk mitigation measures to protect both customers and banks:



Cash Management

Set suitable limits on cash holding, individual customer payments and receipts, with proper receipts for all transactions.

Customer Protection

All agreements must clearly specify the bank is responsible to the customer, ensuring preservation of customer information confidentiality.

For grievance redressal, banks must establish a dedicated mechanism with designated officers whose contact information is widely publicized. If complaints aren't resolved within 60 days, customers can approach the Banking Ombudsman.

Continuity Planning

Implement Business Continuity Plans to ensure uninterrupted service if arrangements with BCs are terminated.



Ultra Small Branches & Payment Banks

Ultra Small Branches (USBs)

RBI permits banks to establish low-cost brick and mortar structures in rural centers from which BCs may operate:

- Each USB supports 8-10 BC units within 3-4 kilometers
- Equipped with CBS terminal, passbook printer, and cash safe
- Managed by full-time bank officers/employees
- Treated as independent "Banking Outlets" or "Part-time Banking Outlets"

Payment Banks (PBs)

Established to further financial inclusion by providing:

- Small savings accounts (max balance ₹2 lakh ₹2 lakh per customer)
- Payment/remittance services for migrants and low-income households
- ATM/debit cards and internet banking
- Distribution of simple financial products
- Utility bill payment services

PBs must have at least 25% of physical access points in rural centers.



SHG-Bank Linkage & Co-Lending Models

SHG-Bank Linkage Programme

Self Help Groups have the potential to bring together formal banking structures and the rural poor for mutual benefit:

- All scheduled commercial banks advised to meet entire credit requirements of SHG members
- Promotes financial inclusion through group-based approach
- Enables social and economic inclusion of women
- Builds financial discipline through group savings

Co-Lending Model (CLM)

In November 2020, RBI issued guidelines for guidelines for co-lending by banks and NBFCs NBFCs to priority sectors:

- Improves synergy between banks and and NBFCs
- Combines lower cost of funds from banks with greater reach of NBFCs .
- Focuses on priority sector lending
- Enhances credit flow to underserved segments



Mobile Banking for Financial Inclusion

Mobile banking has become a powerful tool for financial inclusion, accelerated by low-cost smartphones, faster internet connections, and the COVID-19 pandemic:

 **Expanded Access**

Provides banking services to unbanked areas and populations who would otherwise not have access to financial services.

 **Instant Remittances**

Wage earners can send money instantly through mobile banking at lower costs, without losing a day's wages for banking transactions.

 **Comprehensive Services**

All non-cash banking requirements can be carried out using mobile phones, including payments, transfers, and account management.

Banks use mobile phones/tablets to open Small Accounts/Basic Savings Bank Deposit Accounts in unbanked villages and offer banking services through Points of Sale instruments handled by BC agents.

ICT - Service

USSD & Digital Banking Innovations

Aadhaar card
pan card
V.I.P.

USSD-Based Mobile Banking

In November 2012, NPCI launched a "Common USSD Platform" for all banks and telecom companies:

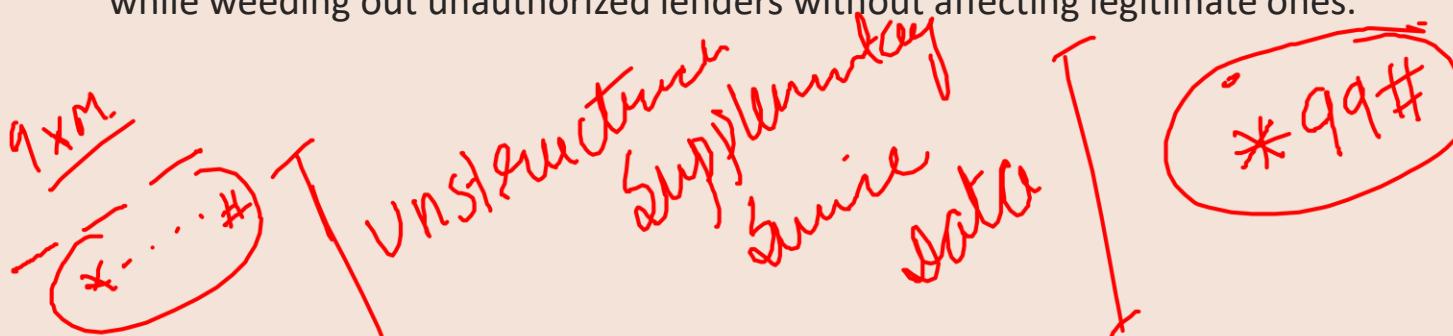
- Common USSD Code *99# for all telecom operators
- USSD 2.0 based on UPI launched in December 2016 with BHIM
- Makes UPI available for non-internet based mobile devices
- Works on both smartphones and basic feature phones

Digital Onboarding Innovations

Two key areas in digital onboarding:

- Improving accessibility of financial platforms using FinTech
- Analyzing potential risks from FinTech adoption
- Effective utilization of Aadhaar ecosystem for DBT
- Video-based Customer Identification Process (V-CIP)
- Digital KYC Process frameworks by RBI/Government

Digital lending is gaining significance in the financial ecosystem, with the RBI Working Group on Digital Lending making recommendations to regulate this activity while weeding out unauthorized lenders without affecting legitimate ones.



Financial Literacy: The Twin Pillar

Financial literacy is the process by which people improve their knowledge and understanding of financial products and services, enabling them to make informed judgments and effective decisions about money management.

Financial Education

Imparting knowledge about financial concepts, products, and services

Financial Stability

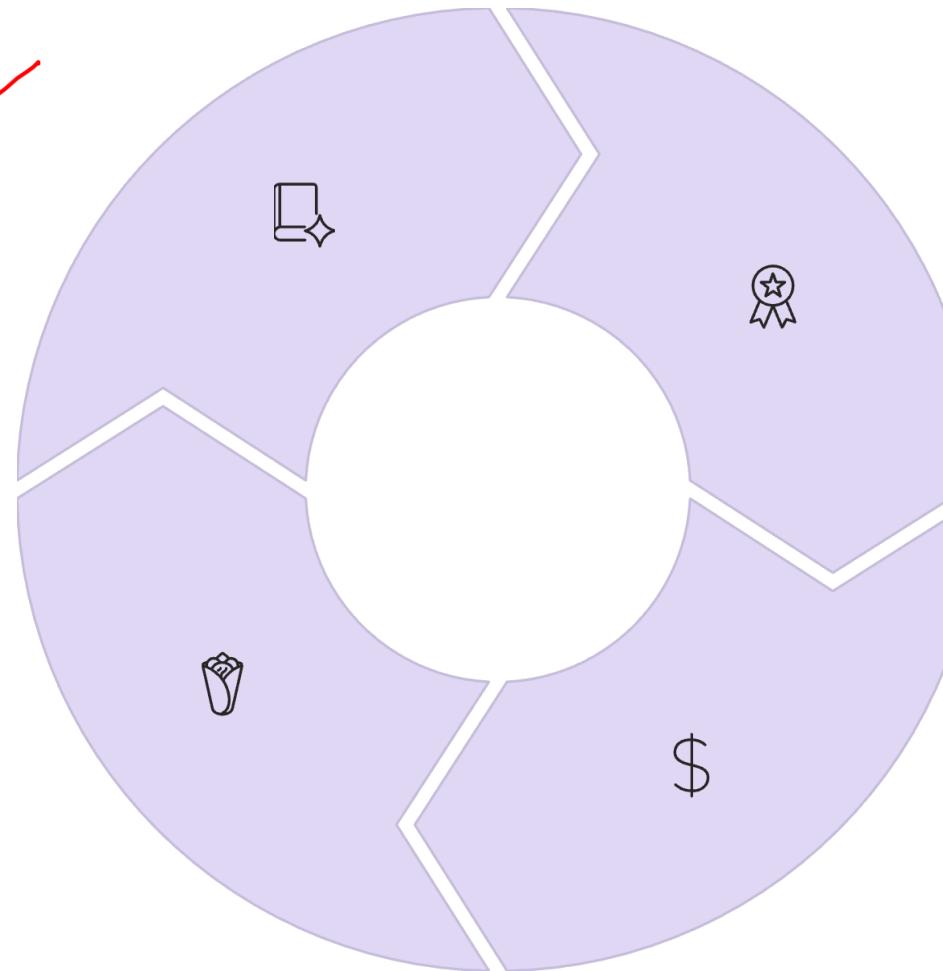
Creating a more resilient financial system through informed participation

Awareness Creation

Making people aware of what they can demand (stimulating demand side)

Financial Inclusion

Providing financial services that people demand (stimulating supply side)



In India, the need for financial literacy is even greater considering the low levels of literacy and the large section of the population still outside the formal financial formal financial system.

Financial Literacy Initiatives

National Centre for Financial Education (NCFE)

Established in 2013 with support from all financial sector regulators (RBI, SEBI, IRDAI, PFRDA) to implement the National Strategy for Financial Education:

- ✓ Conducts National Financial Literacy Assessment Test (NCFE-NFLAT) for NFLAT) for school students
- ✓ Launched E-Learning Management System
- ✓ Offers financial education programs for youth, adults, school children, and children, and teachers

Financial literacy is targeted at everyone in the economy: the financially excluded resource-poor, lower and middle income groups, high net worth individuals, financial institutions, and policymakers including regulators.



Centres for Financial Literacy (CFLs)

RBI launched a pilot project in 2017 involving select banks and NGOs to spread financial literacy through community-led participatory approach:

- CFLs being set up at every block in the country in a phased manner
- Promotes inclusive growth and deeper financial inclusion
- Protects customers through financial education
- Engages community in financial literacy efforts

Rural Self Employment Training Institutes (RSETIs)

RSETIs are initiatives of the Ministry of Rural Development to provide dedicated infrastructure in each district for training and skill upgradation of rural youth aimed at rural youth aimed at entrepreneurship development.

Identification

Rural BPL youth are identified for self-employment training based on aptitude assessment

Training

Intensive short-term residential self-employment training programs with free food and accommodation

Credit Linkage

Hand-holding support provided for assured credit linkage with banks

Ongoing Support

Escort services provided for at least two years to ensure sustainability of micro enterprises

Each RSETI offers 30-40 skill development programs annually, ranging from 1-6 weeks in duration, covering agricultural programs, product programs, process programs, programs, process programs, and general programs. These institutes are managed by banks with active cooperation from the Government of India and State and State Governments.

Ancillary Services



Introduction to Remittances

Important

Definition ✓

Transfer of funds from one branch of a bank to another branch of the same bank or a different bank.

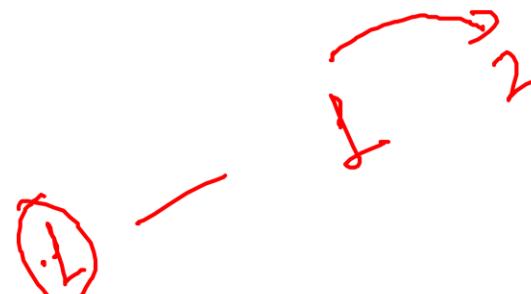
Traditional Methods ✓

Demand Drafts (DD), Mail Transfer (MT), Telegraphic Transfers (TT), Banker's Cheques (BC)

Modern Methods

National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS)

Core banking services, Fintech innovations, and digital payments have made traditional methods like MT and TT nearly extinct.



Traditional Remittance Instruments

Demand Drafts (DD)

- ✓ Negotiable instrument drawn by one branch instructing another to pay
- ✓ Cannot be payable to bearer (violation of RBI Act 1934)
- Valid for three months, revalidated only once within one year
- Purchaser cannot countermand payment after delivery to payee

For DD/BC of ₹50,000 and above, issuance must be through banking channels, not cash. Payment of DD/BC of ₹20,000 should be through bank account credit only.

Banker's Cheques (BC)

- Issued for local payments, including on behalf of customers
- Used for client requests, deceased account payments, bill payments
- Valid for three months, can be revalidated by issuing branches
- Purchaser's name must appear on face of BC since Sept 15, 2018



Duplicate DD/BC and Traditional Transfers

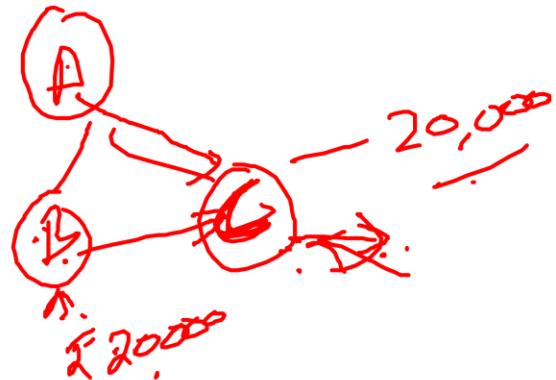
Issue of Duplicate DD/BC

- ✓ Issued if original is lost, subject to payment not already made
- ✓ Requires indemnity from purchaser/payee
- ✓ Must be issued within a fortnight per RBI guidelines
- ✓ Interest payable for delays beyond this period

yestd.

Mail & Telegraphic Transfers

- Both MT and TT have become obsolete with modern banking:
- ✓ MT: Amount credited to beneficiary at another branch via post
 - ✓ TT: Similar to MT but advised by telegram, telex or fax
 - Credit timing: MT (7 days), TT (2 days)



~~No. with
Nomax~~

150' 20022

~~not agreed Net
Settlement.~~

National Electronic Funds Transfer (NEFT)



Key Features

- Nation-wide secure electronic funds transfer system (since 2005)
- Operates on deferred net settlement (DNS) basis
- No upper limit on transaction amount
- Each branch has unique Indian Financial System Code (IFSC)



Benefits

- Easy processing through automation
- Secured transfer with payment confirmation
- No waiting time or courier costs
- Lower bank charges
- Efficient funds transfer within hours



Special Feature

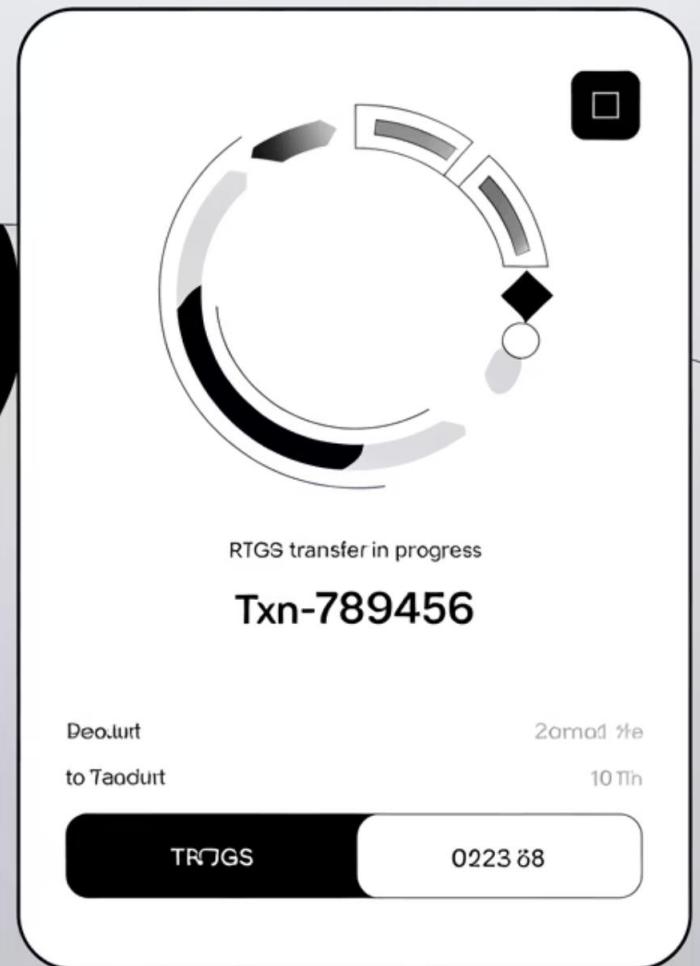
Facilitates one-way funds transfer from India to Nepal through the Indo-Nepal Remittance Facility Scheme

~~INDO NE PDC~~

11 digit Alpha Numeric code

Online & Offline

RTGS transfer in progress



ISO - 20022

Real Time Gross Settlement (RTGS)

System Overview

- Electronic payment processed on 'Real Time' basis
- Settled on 'Gross' basis without netting debits against credits
- Available 24x7x365
- Minimum amount: ₹2 lakh (no upper ceiling)
- Beneficiary account credited within 30 minutes

Required Information

- Amount of remittance
- Account number to be debited
- Beneficiary bank and branch with IFSC
- Beneficiary name and account number
- Sender to Receiver Information (purpose)

Credit is based solely on beneficiary's account number

Transaction Value	Maximum Charges
RTGS Transactions	
₹ 2 lakh to ₹ 5 lakh	₹ 24.50 + (+ applicable GST)
Above ₹ 5 lakh	₹ 49.50 + (+ applicable GST)
NEFT Transactions	
Up to ₹10,000/-	₹ 2.50/- (+ applicable GST)
From ₹ 10,001/- to ₹ 1 lakh	₹ 5/- (+ applicable GST)
Above ₹ 1 lakh up to ₹ 2 lakh	₹ 15/- (+ applicable GST)
Above ₹ 2 lakh	₹ 25/- (+ applicable GST)

No charges must be levied on inward RTGS/ NEFT transactions.

RTGS/NEFT Service Charges

RBI has prescribed ceiling for charges that banks can levy on customers for RTGS and NEFT transactions. These charges are based on transaction value and are regularly reviewed.

Banks must ensure that service charges are reasonable and not out of line with the average cost of providing these services. Customers with low volume of activities should not be penalized.



Electronic Benefit Transfer (EBT) Scheme

Purpose

Facilitates direct credit of welfare payments to beneficiaries' bank accounts, ensuring timely disbursal without leakages

Implementation

Commenced under "One District One Bank" Model called 'Direct Benefit Transfer' (DBT) for seven schemes

Function

Operates on "one district-many banks-one leader bank model" with a designated leader bank coordinating with other banks

Benefits

Provides banking services including deposit schemes, remittance, and entrepreneurial credit products

~~Value~~ \rightarrow 100x of the amount of the locker rent

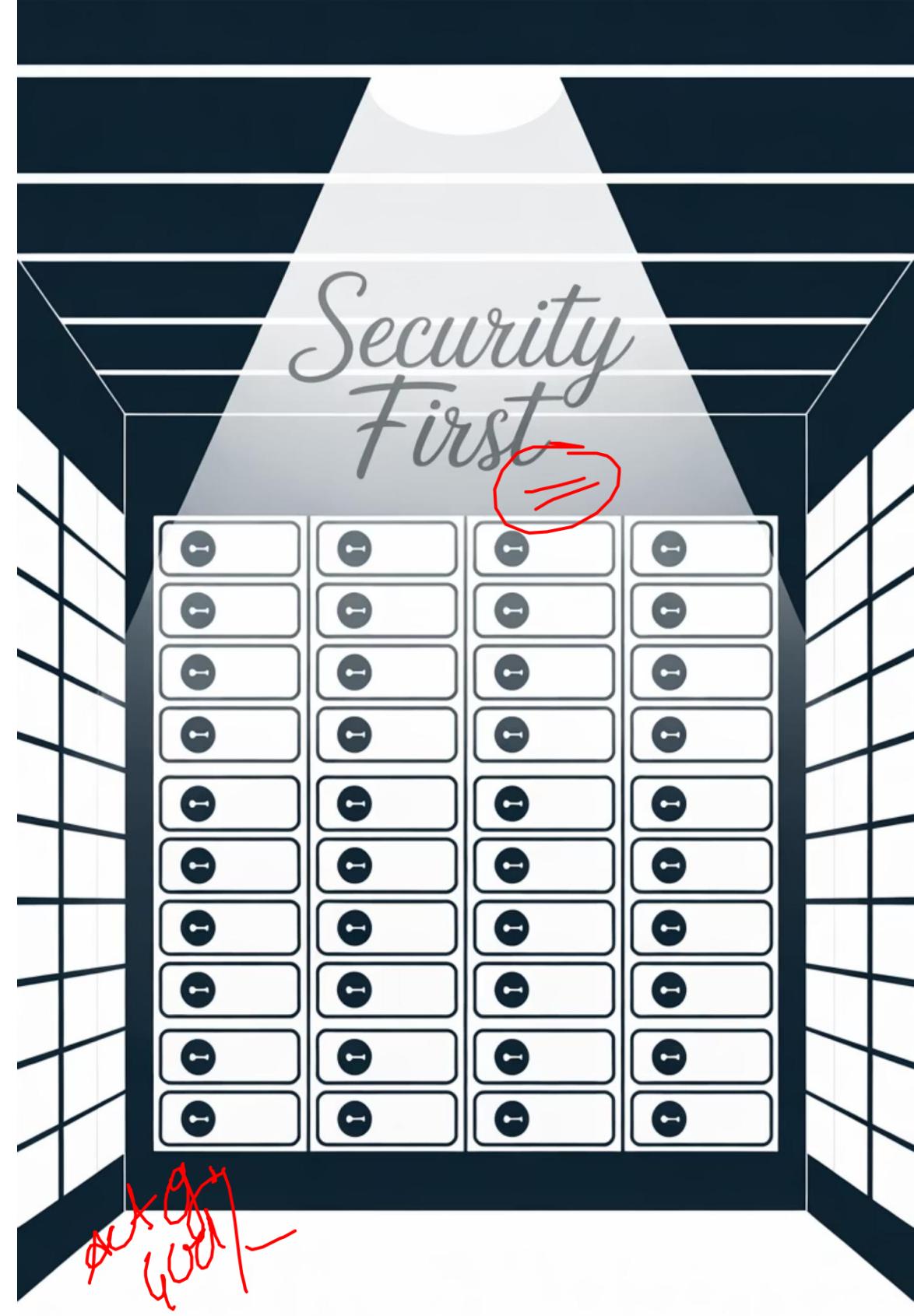
Safe Deposit Lockers: Overview

Basic Concept ✓

- Facility for customers to keep valuables/documents in specially designed lockers
- Relationship is that of "Lessor and Lessee" or "Bailor and Bailee" \rightarrow BM \rightarrow CB
- Dual control: requires two keys (customer's key and bank's master key)
- Rented to individuals (single/joint), firms, companies, associations, trusts (not minors)

Revised Guidelines (August 2021)

- Complete KYC/CDD before hiring out a locker
- Transparent allotment with branch-wise waitlist
- Model locker agreement as per IBA and Supreme Court guidelines
- Term deposit as security (covering 3 years' rent)



Safe Deposit Lockers: Security & Operations

Infrastructure Requirements

- Single entry/exit point with CCTV coverage (recordings preserved 180 days)
- Protection from water, flood, and fire
- Lockers must meet BIS safety standards
- Bank's identification code embossed on all locker keys

Access Controls

- Only locker hirer or authorized person allowed access after verification
- Access Register maintained with date, check-in/out time
- Privacy ensured - bank staff cannot remain inside during operation
- Email/SMS alerts sent for each locker operation

Bank Liability

- Banks liable for loss due to theft, burglary, robbery
- Compensation: 100 times the annual locker rent
- Also applies to fire, building collapse, or fraud
- Not liable for natural calamities or Acts of God

Safe Deposit Lockers: Claims & Closure

Claims Settlement on Death

- ✓ Settlement within 15 days of claim receipt ✓
- ✓ Death of sole hirer: Nominee allowed access after verification
- ✓ Death of joint hirer: Follows survivorship clause or nomination
- ✓ Without nominee/survivorship: Access to legal heirs with documentation
- ✓ For break-open procedures, banks must record video of the process and inventory assessment, preserve it as evidence, and keep contents in sealed envelopes in fireproof safes.

Locker Break-Open Scenarios

- Lost key: Opened after proper identification and authorization
- Law enforcement orders: Bank cooperates after verification
- Non-payment of rent for 3 years: After due notice
- Inoperative for 7 years: Contents transferred to nominees/legal heirs

Portfolio Management Services

Definition

A basket of investments with mix of debt and equity securities managed to optimize risk, return, and liquidity

Deployment Restrictions

- ✓ Allowed in capital market instruments
- ✗ Not in call money/bill market or corporate loans
- ✗ CRR/SLR maintained on undeployed funds



Basic Principles

- The portfolio as a whole matters, not individual securities
- Higher returns require higher risk
- Diversification reduces portfolio risk
- Each portfolio should be tailored to owner's needs

RBI Guidelines

- Services at customer's risk, no guaranteed returns
- Minimum period of one year
- Transactions at market rates only
- Definite fee independent of return to client

Merchant Banking & Government Business

Merchant Banking

"Management and Underwriting of new issues, syndication of credit and provision of advisory services to corporate clients on fund raising and other financial aspects."

- Requires SEBI registration as Category I Merchant Banker
- Banks can engage in loan syndication, payment of interest/dividend warrants
- Can extend bridge loans against equity issues

Government Business

Banks require approval from:

- Controller General of Accounts (for Central Government)
- Finance Department (for State Government)
- Department of Government and Bank Accounts, RBI

All public sector banks and 19 private banks (as of December 2021) are eligible to conduct Government business as agents of RBI.





Government Services Handled by Banks

Tax Collection

- Central Excise and Customs
- Direct Taxes (Income, Wealth, Capital Gains)
- Goods and Services Tax
- Professional Tax

Account Services

- Treasury Accounts
- Railway Station Revenue Accounts
- Post Office Receipts and Payments
- Public Provident Fund Accounts

Special Schemes

- Deposit Scheme for Retired Government Employees
- Deposit Scheme for Retired PSU Employees
- Relief/Savings Bonds applications
- Central and State Government Pension payments

Service Charges: Guidelines & Principles

1

Basic Banking Services ✓

Identified based on nature of transactions (services for middle/lower segments) and value of transactions (low value transactions up to prescribed ceilings)

2

Unbundled Services

Basic banking services must be available outside bundled products at reasonable prices to ensure accessibility

3

Reasonableness Principles ✓

- Lower charges for individuals than non-individuals ✓
- Liberal terms for rural customers, pensioners, seniors
- Charges only if just and supported by reason ✓
- Ad-valorem charges only to cover incremental cost .

4

Disclosure Requirements

Complete information upfront, changes notified 30 days prior, with option to exit relationship within 30-day window



Customer service Guidelines



www.oliveboard.in

Agenda

01

Introduction to Customer Service in Banking

Definition, importance, and RBI's role in customer service standards

02

Organizational Framework

Required committees and structures for effective customer service

03

Board-Approved Policies

Essential policies that guide customer interactions and rights

04

ATM Operations

Guidelines for effective service at ATMs

05

Branch Management & Special Arrangements

Creating inclusive banking environments for all customers

Today's session will equip you with the knowledge and tools necessary to provide exceptional customer service in line with RBI guidelines and industry best practices.

Introduction to Customer Service in Banking

Customer service in banking is the act of taking care of customers' needs by providing and delivering services in a **professional, prompt, and polite manner**. It encompasses the entire customer journey:



"Good customer service is the best brand ambassador for any bank."



RBI's Commitment to Customer Service

The Reserve Bank of India has been consistently working to improve customer service standards in the banking sector. In May 2022, RBI established a six-member committee headed by former Deputy Governor B.P. Kanungo to:

Evaluate Existing Standards

Review the efficacy, adequacy, and quality of customer service in regulated entities against existing RBI guidelines

Identify Gaps

Determine areas where customer service standards are lacking and require improvement

Review Digital Landscape

Assess evolving customer service needs in the context of digital/electronic financial products and distribution

Suggest Measures

Recommend appropriate regulatory measures to enhance customer service across the banking sector

This initiative demonstrates RBI's ongoing commitment to ensuring that banks prioritize customer service excellence.

Organizational Framework for Customer Service

RBI mandates that banks establish a comprehensive organizational structure dedicated to customer service. This ensures that service quality is monitored and improved at all levels of the organization.

Customer Service Committee of the Board

Includes experts and customer representatives to formulate policies, assess compliance, and drive improvements in service quality. Plays a proactive role in addressing complaints handled by Banking Ombudsmen.

Standing Committee on Customer Service

A cross-departmental executive committee that serves as the focal point for implementing service initiatives and providing relevant feedback to the Board Committee.

Branch Level Customer Service Committees

Meet monthly to study complaints, address delays, and improve local service. Must include at least one senior citizen and submit quarterly reports to the Standing Committee.

Nodal Department/Official

Designated point of contact at Head Office and controlling offices for customer grievances, and for liaison with the Banking Ombudsman and RBI.

Board-Approved Policies on Customer Service

Banks must have specific Board-approved policies related to customer service. These policies must be:

- Prominently displayed on the bank's website
- Posted on notice boards at branches
- Communicated to customers when establishing relationships
- Updated with any changes

These policies provide transparency and ensure customers are aware of their rights and the bank's obligations.



- **Comprehensive Deposit Policy**

Covers rights of depositors, operational aspects of accounts, charges, and confidentiality provisions

- **Cheque Collection Policy**

Details immediate credit provisions, timeframes for collection, and interest payment for delayed collection

- **Customer Compensation Policy**

Addresses erroneous debits, interest for delays, and unauthorized actions causing financial loss

Policy for General Management of Branches

Banks must have a Board-approved policy for the general management of branches, ensuring comfortable and efficient customer service environments. This policy should address:



Infrastructure

Adequate space, proper furniture, drinking water facilities, and provisions for pensioners, senior citizens, and disabled persons. Clean environment with appropriate temperature control.



Service Desks

Dedicated enquiry counters at larger branches in addition to reception counters. "May I Help You" desks should be available for customer guidance.



Communication

Multi-lingual indicator boards at all counters and multilingual booklets on services and facilities to assist customers of various backgrounds.



Staff Support

Roving officials to ensure employee responsiveness and assist customers with their transactions. Complaint boxes and online systems for feedback.



ATM Operations: Key Guidelines

Free Transactions

Customers are entitled to:

- Five free transactions monthly at own bank ATMs
- Three free transactions at other bank ATMs in metro centers
- Five free transactions at other bank ATMs in non-metro centers

Security Measures

- PIN validation required for every transaction
- Time-out sessions enabled for all screens
- Mobile alerts for all transactions



Complaint Resolution

For failed transactions:

- Resolution within T+5 working days
- Automatic compensation of ₹100 per day for delays
- Disputes settled through ATM System Provider only

Security Issues and Risk Mitigation Measures

With increasing usage of electronic delivery channels, the risks of cyber frauds have increased significantly. Banks must implement robust security measures to protect customers:

Card Security

- Immediate blocking of lost/stolen cards upon notification
- Clear procedures for reporting loss, theft, or unauthorized use
- Multiple 24x7 channels for reporting unauthorized transactions

Online Transaction Protection

- Additional factor authentication for Card Not Present (CNP) transactions
- Mandatory issuer reimbursement for unauthorized MOTO and Standing Instructions transactions
- Secure encryption for all digital channels

Customer Education

- Regular updates on emerging threats
- Clear instructions on safe banking practices
- Notifications about suspicious activities

Banks must be especially vigilant in educating customers who may not be tech-savvy about potential cyber risks and protective measures.

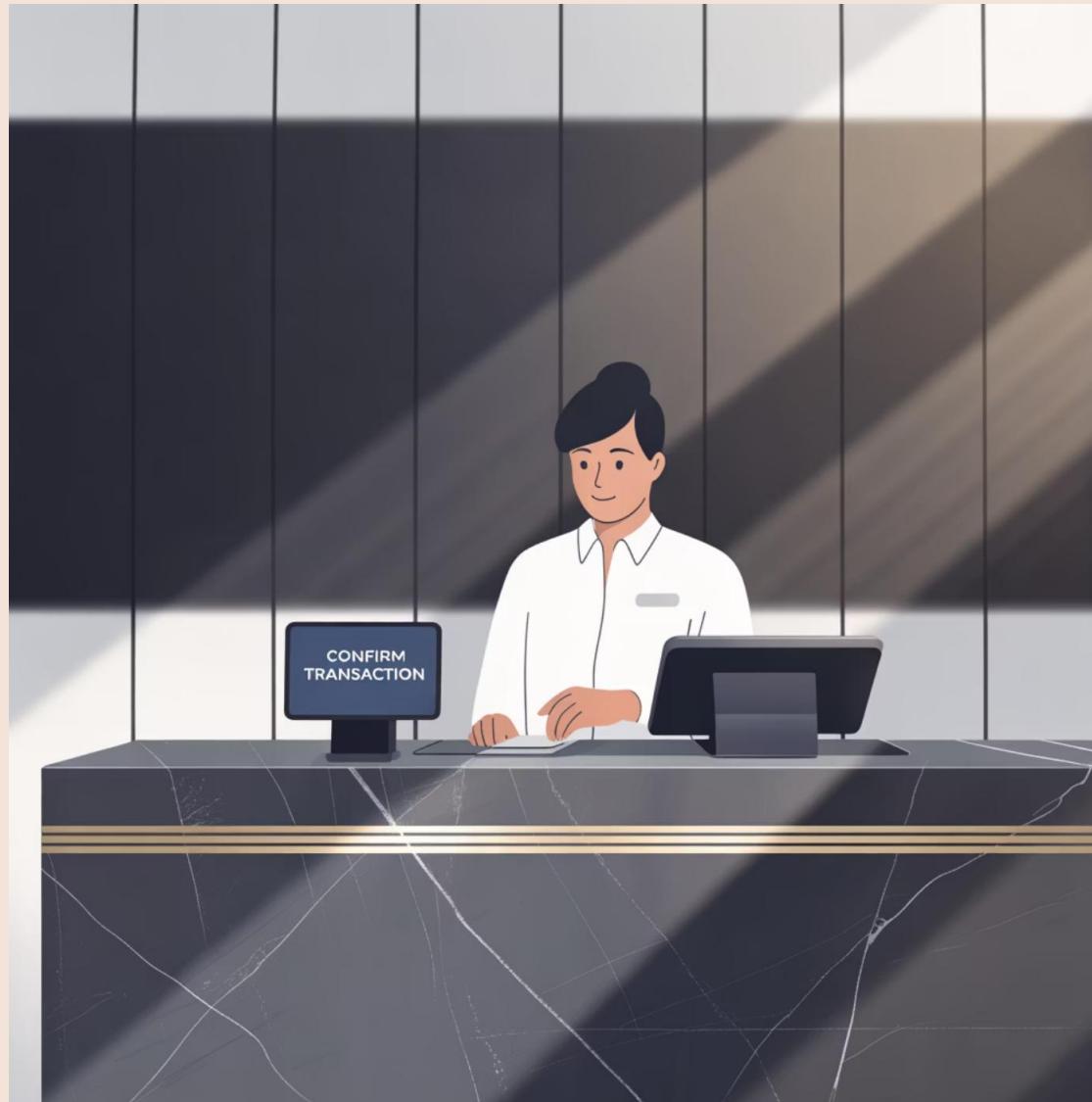
Service at the Counters

Business and Working Hours

Effective counter service begins with proper time management:

- Staff should be at seats **15 minutes before** business hours start, especially in urban centers
- Branches must function for public at least 4 hours on weekdays and working Saturdays
- No counter should remain unattended during business hours
- Banks may fix business hours at their discretion, considering local needs

Rural branches can adjust business hours and weekly holidays to accommodate local requirements, while complying with relevant local laws.



Enhanced Counter Services

- **Evening Counters**

Extended hours at urban/metropolitan centers to improve customer convenience

- **Guidance Services**

"May I help you" counters to assist customers with navigating services

- **Advisory Services**

Information Display Requirements

Proper information display is a critical component of financial education, helping customers make informed decisions about banking products and services.

Comprehensive Notice Board Standards

Physical Requirements

Minimum size of 2 feet by 2 feet to facilitate comfortable viewing by all customers

Content Categories

Information must be organized into four sections: Customer Service Information, Service Charges, Grievance Redressal, and Others

Display Principles

- Updated periodically with date indicated
- Simple and easily readable format
- Bilingual or trilingual presentation
- Recent changes clearly marked



All displayed information should be regularly reviewed and updated to ensure accuracy. Detailed information should also be available in booklet form for customers who need more comprehensive explanations.

This transparency builds trust and reduces confusion about bank policies and procedures.

Special Arrangements for Inclusive Banking

Banks must ensure accessibility and accommodation for all customers, including those with special needs:

Physical Accessibility

Ramps at branches and ATMs for wheelchair users and persons with disabilities. Magnifying glasses should be available at all branches for persons with low vision.

Assistive Technology

Talking ATMs with Braille keypads to assist visually impaired customers. These technologies should be regularly maintained and updated.

Special Accommodation

Facilities for sick/old/incapacitated account holders who cannot be physically present, including alternative signature methods like thumb impressions or toe impressions.

Support for Persons with Disabilities

Banking facilities for persons with autism, cerebral palsy, mental retardation, mental illness, and other disabilities, guided by certificates issued by competent authorities.



Banking Services for Visually Impaired Persons

Banks must offer comprehensive services to visually impaired customers **without discrimination**, as they are legally competent to contract.

Mandatory Services Include:

Cheque Book Facility

Including third-party cheques with appropriate safeguards and verification procedures

ATM & Digital Banking

Accessible ATM facility with voice guidance and accessible net banking platforms with screen reader compatibility

Financial Products

Equal access to locker facilities, retail loans, credit cards, and other banking products with appropriate assistance

This directive follows the orders of the Honourable Court of Chief Commissioner for Persons with Disabilities to ensure inclusive banking.



- Staff Responsibilities:** Branch staff must be trained to provide sensitive and appropriate assistance to visually impaired customers, including reading out documents when necessary and guiding customers through transaction processes.

Banks should regularly review and enhance their accessibility features based on customer feedback and technological advancements.

Benefits of Excellent Customer Service

87%

Customer Retention

Percentage of customers who stay with banks that provide excellent service, compared to 52% for banks with poor service

65%

Referral Rate

Customers who refer friends and family to their bank based on positive service experiences

42%

Cross-Selling Success

Increased success rate in selling additional products to existing customers who have received excellent service

30%

Reduced Complaints

Decrease in formal complaints when staff are properly trained in customer service excellence

Implementing RBI's customer service guidelines creates a positive cycle: better service leads to higher customer satisfaction, which results in increased loyalty, more referrals, and ultimately, improved profitability for the bank.



Key Takeaways

Remember that excellent customer service is not just about following regulations—it's about creating positive experiences that build lasting relationships with our customers.

Your role as frontline staff is critical in representing the bank and ensuring customer satisfaction.

By implementing these guidelines consistently across all customer touchpoints, we can create a banking experience that not only meets regulatory requirements but exceeds customer expectations.

Customer-Centric Framework

Implement the organizational structure and committees required by RBI to prioritize customer service

Transparent Policies

Ensure all customer service policies are Board-approved, prominently displayed, and communicated to customers

Inclusive Banking

Make special arrangements for customers with disabilities, elderly, and those who need additional assistance

Continuous Improvement

Actively collect feedback, address complaints promptly, and continuously enhance service standards

Thank You



Comment Your Feedback

