



POLICY ON DOORSTEP BANKING FOR INDIVIDUAL CUSTOMERS

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**STATE BANK OF INDIA
PBBU (LIMA)
CORPORATE CENTRE, MUMBAI**



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PREAMBLE

Reserve Bank of India advised Banks to have a Scheme for providing services at the Doorstep of its customers with the approval of Board of the Bank. Accordingly, there is a need to formulate a transparent and comprehensive Policy setting out the framework within which the Doorstep Banking Services would be provided to the Bank's Personal Segment customers.

This Policy on Doorstep Banking outlines the guiding principles on such services, rights of the depositors to be informed, charges leviable and other related issues to facilitate interaction of depositors at Branch level. The objective is that the customer is kept informed beforehand, the requirements in respect of such services, the charges leviable in a transparent manner, risk mitigation, complaint redressal, etc.

RBI GUIDELINES

Guidelines on Doorstep Banking were issued by Reserve Bank of India in 1983, 2005, 2007 and 2017. The salient features of Doorstep Banking Services as issued by RBI are placed at Annexure – I of the Proposed Policy. These Guidelines form the reference points of the Policy.



POLICY ON DOORSTEP BANKING FOR INDIVIDUAL CUSTOMERS

A. DEFINITIONS

1. The term " **DOORSTEP BANKING** " shall include the following services:
 - a. Pick up of cash for deposit to own account only;
 - b. Pick up of instruments for credit to own account only;
 - c. Delivery of cash by withdrawal from own account only;
 - d. Delivery of Demand Drafts issued by debit to own account only;
 - e. Submission of KYC documents and Life Certificate pertaining to customer only;
 - f. Any other services which the RBI / Bank may permit from time to time.
2. The term " **Customer** " shall include any one of the following categories:
 - i. All resident individual Savings Bank / Current Account Depositors.
 - ii. Any other categories of customers which RBI / Bank may direct from time to time.
3. The term " **Service Provider** " refers to the National Level / State Level Business Correspondents or any other entity, who shall help the Bank in extending Doorstep Banking.

B. ELIGIBILITY

4. Customers who have KYC compliant account shall be eligible.
5. The accounts should be in operative status. Inoperative account holders, after making the account operative as per the Bank's laid down instructions, would also become eligible for availing the services.
6. An application along with undertaking/agreement shall be signed/accepted by the customer, who would like to avail such services.
7. Minors, Illiterates and Accounts operated through Power of Attorney shall operate their accounts at Branch only.



C. OUTSOURCING OF SERVICES

8. For outsourcing of services, the Bank may appoint Service Providers from amongst National / State Business Correspondents (BC) already empaneled with the Bank or any other entity, having good presence and who have good track record. They shall be selected by a process which is compliant with CVC guidelines and the Bank's Outsourcing Policy. The primary criteria would be having or agreeable to have adequate infrastructure including manpower.
9. The selected Service Provider(s) should be agreeable to scale up its/their operations to cover all the branches in the area/State allotted to it/them.
10. An agreement detailing the terms & conditions shall be entered between the Bank and an existing Business Correspondent (BC). In case of others, if any, a suitably worded agreement would be entered into.
11. The Turn Around Time (TAT) for the delivery of services shall be finalized and shall have to be strictly adhered to by the service provider.
12. The Service Provider shall have to comply with Section 10 (1) (b) (ii) (b) of the Banking Regulation Act, 1949 which places restriction on payments for the services outsourced as under:

No banking company shall employ or continue the employment of any person-

- i. who is, or at any time has been, adjudicated insolvent, or has suspended payment or has compounded with his creditors, or who is, or has been, convicted by a criminal court of an offence involving moral turpitude; or
- ii. whose remuneration or part of whose remuneration takes the form of commission or of a share in the profits of the company:

PROVIDED that nothing contained in this sub-clause shall apply to the payment by a banking company of-

any commission to any broker (including guarantee broker), cashier-contractor, clearing and forwarding agent, auctioneer or any other person, employed by the banking company under a contract otherwise than as a regular member of the staff of the company;



D. REQUEST FOR SERVICE & MODE OF DELIVERY

13. The request for services can be received at the Branch or through any secure convenient channel such as phone banking/internet banking/digital channel at Contact Centre.
14. The services shall be provided either through bank staff or outsourced agents.
15. The services shall be offered by all branches under Retail & Digital Banking Group.
16. Cash delivery/ Cash pick up services shall be offered through Aadhar Enabled Payment System (AEPS) by biometric validation, through Micro ATM using PIN for validation and also through digital channel like App/Web Portal upon receipt of requests through secured phone banking / internet banking / digital channel.
17. The credit/debit to the account would be on real time basis.
18. The limits on cash pickup and delivery would be decided by the Bank from time to time.
19. Cash collected from the customer shall be acknowledged by issuing a receipt / SMS / e-mail for accounts with e-mail id on behalf of the Bank.
20. The customer shall be informed of the date of credit by issuing a suitable advice through SMS/email for accounts with email id.
21. The delivery of Demand Draft shall be done by debit to the account on basis of requisition in writing / cheque received and not against cash or instruments collected at the Doorstep.
22. The Bank shall also arrange for pickup of instruments against receipt or through SMS/e-mail for accounts with e-mail id.
23. For delivery of demand draft, the existing process of application through "ONLINE SBI" and delivery of draft through post will be continued.
24. "Jeevan Pramaan" process shall be used for life certificate authentication.



E. SERVICE CHARGES

25. Service Charges, if any, to be levied on the customer for doorstep services shall form part of the undertaking/agreement signed by the customer. The charges shall be indicated on brochures / terms and conditions attached with application form offering doorstep services / Bank's website.
26. The customers shall be informed, in a transparent manner, regarding the services offered and the applicable charges for the services.
27. The charges recoverable for the services rendered shall apply uniformly to all segment/class of customers.
28. The Bank may fix the charges either at flat rate or based on geographical location of the branch where the account is held. For rates based on geographical location, the RBI classification based on Census will form the basis. If the rate is fixed based on geographical location, on transfer of accounts to branches in different population groups, charges shall be levied as applicable to branch where the account is held on the day the request is placed with the Bank.
29. It shall be ensured that under no circumstances the balance in the savings / current account turn into debit / overdrawn solely on account of levy of charges for such services. In the event of shortfall, the system will debit to the extent of balances available and will continue to track the balance in the account for recovering the remaining amount.
30. It shall be ensured that such charges are reasonable and not out of line with the average cost of providing the services. The actual costs including the transit insurance payable to the Service Provider based on tender/ negotiations, in compliance with the CVC guidelines, for providing the services will be recovered in full / part from the customers as decided by the Bank from time to time.
31. The Appropriate Authority for approving the Service Charges shall be Managing Director (Retail & Digital Banking) and all approvals / revision in charges, in terms of the Policy, shall be reported for post facto confirmation to the Board.



F. NOTICE OF REVISION OF CHARGES

32. Any change in Service Charges shall be intimated to the account holders through all or any of the undernoted modes:
- a. Displaying on the Bank's website - bank.sbi
 - b. Displaying on the Notice Board at the Branches
 - c. Sending SMS/e-mail to the registered mobile number/e-mail id
 - d. Displaying on Social Media platforms including Facebook
33. The notices shall be issued through the medium listed above to ensure notification to all the customers who have consented to avail such services.
34. The Bank shall inform, at least one month in advance, the existing account holders any change in the prescribed service charges. Such changes will be given effect only 30 days after the issue of notice through any of the medium as listed in Para 32 above.

G. REDRESSAL OF GRIEVANCE

35. The Grievance Redressal Machinery currently available for customers shall also redress the complaints about services rendered at Door Step.
36. The name and telephone number of the Grievance Redressal Officer of the Bank shall be made available to the customer including on the Bank's website bank.sbi.
37. If a customer feels that complaint has not been satisfactorily addressed, he will have the option to approach the Office of the concerned Banking Ombudsman for redressal of his grievance/s.

H. RISK MITIGATION

38. The Services, if outsourced, must be in accordance with the Bank's Policy for Outsourcing approved and reviewed by the Bank from time to time.
39. The undertaking/agreement shall clearly specify that the Bank will be responsible for the acts of omission and commission of its staff or "agents".
40. Service Provider shall be advised to duly educate the agents to detect forged and mutilated notes so as to avoid frauds and disputes with the customers.
41. The Doorstep Banking facility should not entail any legal or financial liability on the Bank for failure to offer doorstep services under circumstances beyond its control. The services should be seen as a mere extension of banking services



offered at the branch and the liability of the Bank should be the same as if the transactions were conducted at the branch. The undertaking/agreement should not provide any right to the customer to claim the services at his doorstep.

42. A separate SOP / Manual will be put in place describing therein the procedure/systems to be followed while undertaking permitted types of activities under doorstep banking. SOP will, inter alia, include the precautions to be initiated by the operating staff while dealing with such types of transactions. The risk mitigants among others will include cash acceptance and cash delivery that will be required to be updated in CBS online by the Service Provider. Each financial/non-financial transaction as part of the doorstep banking will be backed by SMS. In addition, Do's and Don'ts on the part of the Service Provider forming part of the SOP will also include provision for Insurance for Cash in Transit besides Fidelity Insurance for the feet (agents) on street employed by the Service Provider. The Bank will arrange for standard undertaking/agreement with a view to ensuring that service provider indemnifies the Bank for all types of losses by obtaining Corporate Insurance Cover for the deficiency in services by the Service Providers or their Authorised Agents. The Bank shall also arrange for compensating for lapses/deficiencies/shortcomings resulting in direct/indirect financial/non-financial loss to the customer on account of activities associated with doorstep banking in accordance with the Bank's Compensation Policy.

I. REVIEW OF THE POLICY

43. This Policy on Doorstep Banking for Individual Customers (Version 2.0.) shall be reviewed as and when necessary or at least at annual intervals by the Personal Banking Business Unit and submitted to the Customer Service Committee of the Board for approval and subsequently to the Central Board. If any change is subsequently approved to this policy, consequent upon any change in regulatory guidelines/operating instructions etc., such changes and approvals, with the concurrence of Managing Director (Retail & Digital Banking), shall be deemed to be a part of the policy till the policy is comprehensively reviewed.

J. OWNERSHIP OF THE POLICY

44. This Policy is owned by Liabilities / Investment Products - Mass Affluent (LIMA) Department, Personal Banking Business Unit, Corporate Centre, Mumbai.



REGULATORY GUIDELINES

Reserve Bank of India (RBI) vide circular DBOD.No.BL.BC.42/C-168-83 dated May 24, 1983 in exercise of its powers granted under Section 23 of the Banking Regulation 1949 advised Banks not to extend any banking facilities at the premises of their customers, without obtaining the required permission from Reserve Bank of India.

2. In view of several requests received from Government Departments like Railways, etc. for making available banking services including collection of cash at their premises and representations from banks, RBI advised vide circular DBOD No. BL.BC.86/22.01.001 /2004-05 dated April 30, 2005 that a scheme for providing services at the premises of a customer within the framework of Section 23 of Banking Regulation Act, 1949, may be formulated by banks with the approval of their Boards and submitted to the Reserve Bank for approval.

3. In order to ensure transparency in respect of the rights and obligations of customers, uniformity in approach and to clearly delineate the risks involved, RBI vide circular no. [DBOD.BL.BC.59/22.01.010/2006-2007 dated February 21, 2007](#) laid down general principles and broad parameters to be followed by banks while offering "doorstep" services to their customers. Accordingly, banks were advised to prepare a scheme for offering "doorstep" banking services to their Corporate customers/ Government Departments/PSUs, etc., with the approval of their Boards, in accordance with the [guidelines enclosed](#) to the circular.

4. Taking into account the suggestions from Indian Banks' Association as also some of the banks, the matter was reviewed, and RBI vide circular DBOD. No. BL.BC.99/22.01.0.10/2006-07 dated 24.05.2007 permitted banks to deliver cash/draft at the doorstep of the individual customers also (in addition to corporate customers/Government Departments/PSUs etc.) either against cheques received at the counter or requests received through any secure convenient channel such as phone banking/internet banking.

5. In the Statement on Developmental and Regulatory Policies, released by Reserve Bank of India on October 4, 2017 as part of Fourth Bi-monthly Monetary Policy Statement 2017-18, it is observed that there are occasions when banks discourage or turn away senior citizens and differently abled persons from availing banking facilities in branches. Notwithstanding the need to push digital transactions and use of ATMs, it is imperative to be sensitive to the requirements of senior citizens and differently abled persons.

6. In view of the above, RBI directed banks, vide its circular dated November 9, 2017, to put in place appropriate mechanism for meeting the needs of such customers so that they are able to avail of the bank's services without difficulty.



INSTRUCTIONS

RBI Circular DBOD.No.BL.BC.59/22/01010/2006-2007 dated February 21, 2007 and DBOD. No. BL.BC.99/22.01.0.10/2006-07 dated 24.05.2007 lays down the guidelines for doorstep banking as under:

a. Services to be offered

- i. Pick up of cash
- ii. Pick up of instruments
- iii. Delivery of cash against cheques received at the branch counter or request received through any secure convenient channel such as phone banking/internet banking.
- iv. Delivery of demand drafts

b. Modalities of Delivery

- i. Through own employees
- ii. Through Agents

Where banks engage the services of Agents for delivery of services, it should be ensured that the policy approved by the Board lays down the broad principles for selection of Agents and payment of fee/commission, etc. Banks may refer to the guidelines on Managing Risks and Code of Conduct in Outsourcing of Financial Services by banks issued vide circular [DBOD No.BP.40/21.04.158/2006-2007 dated November 3, 2006](#) and ensure that the principles enumerated therein are complied with while offering Doorstep Banking services.

c. Delivery process

- i. Cash collected from the customer should be acknowledged by issuing a receipt on behalf of the bank;
- ii. Cash collected from the customer should be credited to the customer's account on the same day or next working day, depending on the time of the collection;
- iii. The customer should be informed of the date of credit by issuing a suitable advice.
- iv. Delivery of demand draft should be done by debit to the account on the basis of requisition in writing / cheque received and not against cash or instruments collected at doorstep;

d. Risk Management

It may be ensured that the agreement entered into with the customer does not entail any legal or financial liability on the bank for failure to offer doorstep services under circumstances beyond its control. The services should be seen as a mere extension of banking services offered at the branch and the liability of the bank should be the same as if the transactions were conducted at the branch. The agreement should not provide any right to the customer to claim the services at his doorstep.



e. Transparency

Charges, if any, to be levied on the customer for doorstep services should be incorporated in the policy approved by the Board and should form part of the agreement entered into with the customer. The charges should be prominently indicated on brochures offering doorstep services.

f. Other conditions

- i. Doorstep services should be offered to fully KYC compliant customers.
- ii. The services should be offered at either the residence or office of the customer, the address of which should be clearly and explicitly mentioned in the agreement.
- iii. The agreement/ contract with the customer shall clearly specify that the bank will be responsible for the acts of omission and commission of its 'agent'.
- iv. The "Scheme" should not be restricted to any particular client/ customer or class of customers.
- v. Banks may keep in view the restrictions imposed by Section 10 (1) (b) (ii) (b) of the Banking Regulation Act, 1949, while making payments for the services outsourced.

g. Redressal of Grievance

- i. Banks should constitute an appropriate Grievance Redressal Machinery internally for redressing complaints about services rendered by its 'agents'. The name and telephone number of the designated Grievance Redressal officer of the 'bank' should be made available to the customers including on the bank's website. The designated officer should ensure that genuine grievances of customers are redressed promptly.
- ii. If a customer feels that his complaint has not been satisfactorily addressed, he will have the option to approach the Office of the concerned Banking Ombudsman for redressal of his grievance/s.

2. Reserve Bank of India Vide Notification No RBI/2017-18/89 DBR No Leg.BC.96/09.07.005/2017-18 dated 09.11.2017 advised Banks to make concerted effort to provide the following basic banking facilities at the premises of 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;

- pick up cash and instruments against receipt
- delivery of cash against withdrawal from account,
- delivery of demand drafts
- submission of KYC documents and Life Certificate

