

# CITIZENS' CHARTER - A CHARTER FOR CUSTOMER SERVICES

MAY 2020

## 1. Introduction

Small Industries Development Bank of India (SIDBI) has been set up in 1990 under an Act of Parliament, acts as the principal financial institution for the promotion, financing and development of industry in the Micro, Small and Medium Enterprises (MSME) sector and to co-ordinate the functions of the institutions engaged thereof. Apart from acting as a Refinancing Institution, SIDBI provides direct finance to bridge the gap in financing through targeted and innovative debt financial products and sustainable finance which includes energy efficiency (EE)/ clean production (CP) technology, services sector financing, cluster specific finance, MSME infrastructure and marketing activities.

## 2. Vision

To emerge as a single window for meeting the financial and developmental needs of the MSME sector to make it strong, vibrant and globally competitive, to position SIDBI Brand as the preferred and customer - friendly institution and for enhancement of shareholders wealth and highest corporate values through modern technology platform.

For its journey towards SIDBI Version 2.0, SIDBI vision statement would be more inclusive *“to transform as an All India Financial Institution to create an integrated credit and development support role for the Bank by being a Thought Leader, adopting a Credit-plus approach, creating a Multiplier effect and serving as an Aggregator, in the MSME space.”*

## 3. Mission

To facilitate and strengthen credit flow to MSMEs and address both financial and developmental gaps in the MSME ecosystem.

## 4. Application of Charter

(i) Information given here is as of May 31, 2020 which is subject to change / revision. It is not a legal document creating rights and obligations. It is for promoting better understanding between SIDBI and its customers.

(ii) This Charter applies to all products and services listed at Sr.No 7 provided by branches of the Bank, across the counter, by post, through interactive electronic devices and through technology.

(iii) Only key information on various services / facilities is given in this Charter. Each service has its own detailed terms and conditions; which can be made available on request. For further details / information, visit or write to SIDBI's Branch / Regional / Head Office or visit the Bank's website **[www.sidbi.in](http://www.sidbi.in)**.

## 5 **KYC Compliance**

(i) In order to comply with regulatory/ statutory requirements, while opening the account, SIDBI will adhere to the extant Know Your Customer (KYC) Norms, Anti Money Laundering (AML) guidelines, satisfy itself about the identity, including verification of address of a person/s, to assist in protecting the prospective customer/s, members of the public and itself against fraud and other misuses of the banking system. The Bank will also satisfy itself about the sources of income of the existing/ prospective customers. Customers shall also provide the desired documents as per the requirements of the Bank for updation and verification as and when requested, failing which the transaction in the account may be frozen at the discretion of the Bank.

(ii) As part of Customer Due Diligence (CDD) Procedure, bank may, at its discretion, carry out verification through one or a combination of various CDD processes prescribed by Reserve Bank of India i.e., (1) Physical verification of documents, (2) e-kyc (3) offline verification (4) Digital KYC, etc.

## 6. **Online verification of GSTIN**

The Bank will satisfy itself the authenticity/ credentials of any GST assessee / payee by verifying online GSTIN for all customers who are GST assessee.

## 7. **Products**

- a. Refinance support to Primary Lending Institutions like banks / FIs
- b. Fund based Institutional support to MFIs/ NBFCs
- c. Fund based (Term Loan, Cash credit, overdraft) and Non-fund based (Letter of Credit/ bank guarantee) financial products, schemes and services.
- d. Term deposit accounts

The Bank reserves the right to change/amend the terms and conditions of any product / scheme/service at any point of time.

## 8. **SIDBI's Commitments**

- (i) To act fairly and reasonably in all dealings with the customers to ensure
  - a) Meeting the commitments and standards in the Charter for the products and services offered and in the procedure and practices followed.
  - b) Products and services meet relevant laws and regulations in letter and spirit.
  - c) Dealings with the customers rest on ethical principles of integrity and transparency.
  - d) Dealing quickly and sympathetically with customer grievances arising due to errors, delays in handling of customer related issues.

- (ii) **To display on Bank's website**

the following policies for customer care:

- a. Deposit Policy
- b. Grievance Redressal Policy
- c. Compensation Policy
- d. SIDBI's Code of Commitment to MSMEs
- e. Fair Practices Code.

- (iii) To maintain privacy and confidentiality of the customers' personal information except in the following cases.
  - a. Where disclosure is mandated under laws / regulations or by banking regulations.
  - b. Where there is duty to disclose to the public.
  - c. Where the disclosure is made with the express or implied consent of the customer.
  - d. If our interests and/or any prudent risk mitigating strategy require us to give the information (for example, to prevent fraud).

However, the Bank may utilize the information for cross-selling of its own products/services.

(iv) **To publicize the Charter:**

- a. Provide the customer a copy of the Charter, on request.
- b. Make available this Charter on Bank's website.
- c. Ensure awareness and knowledge among Bank's staff as per the contents of the Charter.

- (v) To provide services to the customers as per standards laid down in the Code of SIDBI's Commitment to Micro, Small and Medium Enterprises which is hosted on SIDBI's website.

(vi) **Special Customers- North-East**

- a. Bank will strive to ensure that atleast one of the staff members in the branches in North – East Region is conversant with local language.
- b. To achieve the banking/financial inclusion, it will be the endeavour of Bank to implement the guidelines provided by the RBI and Government, if any, to transfer and post the staff to the region. Further, the staff so selected and posted will also focus on local talent building and development.

(vii) **SMS / E-mail Alerts**

SMS and e-mail alerts will be sent to all deposit holders / loan account holders who register for the same for deposits maturing or renewal and repayments falling due / disbursements.

(viii) **Loans and Advances**

- a. SIDBI provides acknowledgements for receipt of all loan applications.
- b. All Pricing and Non-pricing Terms and Conditions of loans will be in strict conformity with the regulatory guidelines and capture the risks involved and the rating of the borrowers concerned individually or as a class.

- c. Details of Penal Interest on loan accounts, Rate of Interest charged on loan accounts etc. will be mentioned in the Statement of Accounts.
- d. The Bank will ensure that loan statements are issued to the borrowers whenever requested for giving details of loan disbursed and repayments along with interest and details of charges.
- e. Borrower will be made aware upfront about various documents required to be produced for processing of loan application.
- f. Normally, bank guarantees will be closed and margin money returned upon return of original bank guarantee duly discharged by the beneficiary. In its absence, it will be closed one month after its expiry and after intimating the beneficiary.
- (i) At the formal request of the party concerned, SIDBI would release the securities, at its office, within 15 (fifteen) working days after it receives repayment or realisation of loan, or other dues agreed to or contracted, subject to any lien or legitimate right or any other charges of any lender/ authority or claim that may exist against borrower / the securities and the party concerned furnishing latest address and identity proofs.
- (ii) If such right of set off or otherwise is to be exercised, SIDBI shall intimate about it to the party concerned with full particulars about remaining claims, lien or other rights and the provisions under which SIDBI is entitled to retain the securities or documents of title of the mortgaged property till the relevant claim is settled / paid or right satisfied/ waived.
- g. SIDBI, if so required by the customer, would convey in writing, the main reason/ reasons which in the opinion of the Bank, after due consideration, have led to rejection of the loan applications. Such communication to the applicant would be dispatched/mailed as soon as possible.

## 9. Standards for Services

Indicative time norms for various transactions subject to submission of required documents by the customers are given below:

<b>A. Deposit scheme</b>			
<b>Sr. No.</b>	<b>Service</b>	<b>Documents required</b>	<b>Time norms (indicative) (after completion of formalities)</b>
1	Opening of Term Deposit Accounts	In case of individual depositors, the following three documents shall be required to submitted: (i) Permanent Account Number or Form No. 60 and (ii) any one of the prescribed document as identify proof (OVD) and (iii) any one of the prescribed document as address proof  (Documents can be submitted either in physical form or equivalent e-document)	Within one working day from the date of realization of the cheque / demand draft / RTGS along with duly filled in FD application

2	Release of maturity payment to depositors	<b>Original FDR</b>	Within one working day from the date of receipt of the duly discharged FDR.
3	Issuance of duplicate FDR	<b>Indemnity Bond</b>	Within one working day from the date of receipt of written request along with the Indemnity Bond, in the prescribed format
4	Settlement of claims in respect of deceased depositor(s)	<b>In case of nomination registered - Death Certificate, Duly filled claim forms</b>  <b>In other cases - Death Certificate, Duly filled claim form, Indemnity bond with surety/ succession certificate</b>	15 days from the date of receipt of the claim subject to the production of proof of death of the depositor and suitable identification of the claim(s), to the Bank's satisfaction.

<b>B. MSME Credit Scheme</b>		
<b>Service</b>	<b>Documents required</b>	<b>Time norms (indicative) (after completion of formalities)</b>
• Schemes for Financing Micro, Small and Medium Enterprises	Borrower will be made aware upfront about various documents required to be produced for processing of loan application.	• SIDBI would verify the loan applications within a reasonable period of time. If additional details/ documents are required, borrowers would be intimated at the earliest.

Subject to fulfilment of formalities

#### 10. **Expectations from Customers for Qualitative and Efficient Services**

- Provide feedback on the Bank's services
- Bring any deficiency in services to the notice of the Bank
- Inform changes of addresses, telephone number, etc. to the Bank
- Note down the account numbers and other details of FDR for use in case of loss of FDR.
- Correct PAN number/ form 15G or 15H is to be furnished at the commencement of financial year enabling to deduct TDS correctly.
- Furnish nominations for deposit accounts.

#### 11. **Customer Education**

Use of various technology channels for customer education and gathering suggestion for improving service is made.

#### 12. **Grievance Redressal Mechanism**

SIDBI has put in place a Grievance Redressal Mechanism, on the basis of Grievance Redressal Policy hosted on its website. Any complaint / grievance can be made through (i) Regional Office / Branch Office or Head Office, (ii) Bank's website and (iii) the Centralized

Public Grievance Redressal and Monitoring System (CPGRAMS), introduced by the Government of India. Anonymous complaints will not be entertained.

Contact details of Nodal Officers / Alternate Nodal Officers for customer services have been uploaded on the website. The contact details of Branches, Regional Offices, Head Office are also available on the Bank's website.

However, if the complaint remains unresolved, the same may be sent giving full details of the case to its Chief Grievance Officer:

**Shri Vivek Kumar Malhotra**  
**General Manager**  
**Small Industries Development Bank of India**  
**SIDBI Tower**  
**15, Ashok Marg**  
**Lucknow-226001**  
**Uttar Pradesh**  
**Phone No: 0522-2288109**  
**E-mail : cgo@sidbi.in**

After exhausting above channels, if the customer is still not satisfied, he/she may write to:

**Chairman and Managing Director**  
**Small Industries Development Bank of India**  
**SIDBI Tower**  
**15, Ashok Marg**  
**Lucknow 226 001.**  
**Uttar Pradesh**  
**E-mail : cmdsecretariat@sidbi.in**