



Circular letter 9/2019

**READ AND CIRCULATE**

Kodialbail, Mangaluru -3

Date : 12.07.2019

Dear members,

**UNDUE DELAY IN OPENING NEW CASA ACCOUNTS -  
OUR SUGGESTION TO OVERCOME THE IMPASSE**

\* \* \*

Since more than a year our members time and again have been bringing to our notice the delay that is taking place in opening new CASA account as they are not getting authorisation with customer ID from CAVC Dept. at the Head Office as authenticated document is not received to them from M/s. MBS Pvt. Ltd. in time. Further our members have also reported that they have to face the wrath of the customers consequent to this unwarranted delay in opening new accounts at their respective branches. Hence our members feel that it will be difficult for them to canvas for new CASA account under these circumstances.

Viewing this with due consideration the leadership has decided to take up the issue with the Management by forwarding a suggestion that the present assignment given to M/s. MBS should be reconsidered with exploring the possibility of undertaking the work of data entry and necessary verification of KYC norms by the Bank itself by creating a special cell. **Therefore we have addressed the following letter** bearing no. 119/2019 dated 11.07.2019 **to the Managing Director of the Bank** which is self explanatory and exhaustive:-

**“Sub: Opening of CASA accounts – Work entrusted to M/s Manipal Business  
Solution Pvt. Ltd. (MBS) – for data entry.**

\*\*\*

On occasions earlier we have approached your goodselves and put forth our dissatisfaction with regard to the undue delay that is taking place at the level of MBS for the required data entry at their end in electronic account forms including the verification of KYC documents with regard to the opening of CASA accounts.

Consequent to this inordinate delay, the opening of the new CASA account, particularly that of Savings Bank account, is getting delayed at the branch level as the Central Account Verification Cell at the Head Office of the Bank, cannot proceed in the matter until they get the required authenticated document from the MBS. Consequently,

P.T.O.

as the new SB accounts cannot be opened in the branch unless it is so authorized by CAVC, the progress made in CASA accounts is diminishing systematically.

This can be well substantiated by the fact that though the Bank could cross the CASA target of 25.64% and reach 28.01% as on March 2017, the Bank could not do so in the subsequent years as the work of data entry in the prescribed Electronic Account Opening forms including KYC verification was entrusted to M/s. MBS from March 2018. In fact, as on June 2019, the Bank could achieve the CASA deposit of 26.86% only as against the target of 28.15% set forth.

Moreover, we have been receiving complaints continuously from several of our members working all over that due to undue delay which is taking place in opening new Savings Bank a/c at the Branch level, due to the above hurdle, the customers are refusing to have their new Savings / Current a/c opened with the Bank. Further, even the customers who have opened such accounts, having experienced the avoidable delay, have started entering into arguments with our members due to frustration.

Such being the case, even canvassing for new CASA accounts by our members has become very difficult, as they have to face the wrath of the customers consequent to the delay in getting their account opened.

Under the circumstances, we are of the firm opinion that the Bank itself should undertake the work now assigned to M/s. Manipal Business Solutions by creating a Cell specifically for this purpose. We are confident that the Bank do not lack in expertise to handle this portfolio. This will definitely enable the Bank to open CASA account on the same day or the day after, as against the delay that is now spread from 4 days to 10 days, as we are under the mercy of M/s. MBS to get verified required documents. Once we succeed in this endeavour, the Bank will definitely able to mobilise more CASA accounts which will enable to have a better CASA target in the Bank which is of utmost importance. This will also encourage our members at all levels to go all-out for canvassing new accounts as the customers can be pleased with prompt and quick service in having their new account opened.

We request you to ponder over this issue, as increasing the CASA base is a must for any Bank considering the advantages of having a much broader CASA base in the Bank for healthy growth of the institution. We look forward for your early positive reply.”

.....  
**This circular must be acknowledged by the Branch Manager/A.B.M. or any other staff members of all the branches with their comments and observation on the score which shall be the guiding factor for us to decide the future steps to be taken.**

Yours comradely,

Sd/-  
(P.R. KARANTH)  
General Secretary, AIKBEA

Sd/-  
(K. RAGHAVA)  
General Secretary, KBOO