Customer Rights Policy for the FY 2023-24

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1. Policy Overview

Customer Rights Policy 2023-24 explains about the rights a customer acquires during an evolving business relationship with the Bank. The policy also characterizes the responsibilities of Bank towards its customers in service delivery.

The policy is applicable to all the products and services offered to customers irrespective of the service delivery channel.

The policy envisages that a customer should be dealt fairly, sympathetically and all the dealings with the Bank are done in an honest and transparent manner. The policy also advises to communicate all terms, conditions, pricing & features of a product/ service, location of the service outlets, policies, and marketing & promotional material, etc., in clear and unambiguous language.

The policy also lays down the principles for offering a suitable product and mandates adherence to all statutory guidelines to protect the interest of the Bank and its customers. The policy also expects the highest level of privacy in maintaining customer's personal information irrespective of business relationship.

In traversing the policy principles, the customer has been conferred the right to escalate and get his grievance redressed in a timely and fair manner without demur.
The policy will be effective from 01.04.2023 and valid up to 31.03.2024

2. Policy Details

2.1 Background:

Customer Rights Policy identifies the intrinsic rights a customer gets during and after termination of his banking relationship. The policy also defines the ways to deal honestly and fairly with a customer.

The policy is based on the guiding principles enlisted in the RBI "Master Circular on Customer Service in Banks" circulated vide RBI/2015-16/59/DBR No.Leg.BC.21/09.07.006/2015-16 dated 1st July 2015.

2.2 Objective:

The policy also aims to create a fair and conducive environment for its customers in obtaining satisfactory Customer Services through the various Banking channels.

The Customer Rights Policy enshrines basic rights of the customers of the Bank regulated by the Reserve Bank of India. It spells out the rights of the customer and also the responsibilities of the bank.

2.3 Scope and Applicability:

The Policy applies to all products and services offered by the bank or its agents, whether provided across the counter, over phone, by post, through interactive electronic devices, on internet or by any other method.

2.4 Policy Contents:

2.4.1. Right to Fair Treatment

Both the customer and the Bank have a right to be treated with courtesy. The customer should not be unfairly discriminated against on grounds such as gender, age, religion, caste and physical ability when offering and delivering financial products.

In pursuance of the above Right, bank will -

2.4.1.1. Promote good and fair banking practices by setting minimum standards in all dealings with the customers;

2.4.1.2. Promote a fair and equitable relationship between the bank and the customer;

2.4.1.3. Train bank staff attending to the customers, adequately and appropriately;

2.4.1.4. Treat all customers fairly and not discriminate against any customer on grounds such as gender, age, religion, caste, literacy, economic status, physical ability, etc. Bank may, however, have special schemes or products which are specifically designed for members of a target market group or may use defensible, commercially acceptable economic rationale for customer differentiation. Bank may also have schemes or products as part of an affirmative action such as for women or backward classes. Such schemes / products will not tantamount to unfair discrimination. The rationale for such special schemes or terms will be explained by bank wherever required;

2.4.1.5. Ensure that staff members attend to customers and their business promptly and courteously;

2.4.1.6. Ensure that the above principle is applied while offering all products and services;

2.4.1.7. Ensure that the products and services offered are in accordance with relevant laws and regulations;

2.4.1.8. Ensure to enhance customer awareness of their rights, particularly among hitherto marginalized customers, financially illiterate and semi-illiterate sections of the society by making available the pictorial presentation of basic rights contained in the code of Bank’s commitment to customers

2.4.1.9. Promote Safe and Fair customer dealing in case of banking in a digital environment.

2.4.1.10. For senior citizens, 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, concerted efforts will be made to provide door step banking for basic banking facilities, such as pick up of cash and instruments against receipt, delivery of demand drafts, submission of KYC documents and Life Certificate at the premises/ residence of such customers.

While it shall be the endeavor of the bank to provide their customers with hassle free and fair treatment, bank would expect their customers to behave courteously and honestly in their dealings with the bank.

It shall also be the bank's endeavor to encourage their customers to approach the Bank's Internal Grievance Redressal machinery and approach alternate Grievance Redressal Mechanism, only after exhausting all their remedies under Bank's Internal Grievance Mechanism.

2.4.2. **Right to Transparency, Fair and Honest Dealing**

The Bank will make every effort to ensure that the contracts or agreements it frames are transparent, easily understood by and well communicated to the common person. The product's price, the associated risks, the terms and conditions that governs use over the product's life cycle and the responsibilities of the customer and the Bank will be clearly disclosed. The customer will not be subject to unfair business or marketing practices, coercive contractual terms or misleading representations. Over the course of their relationship, the Bank cannot threaten the customer with physical harm, exert undue influence or engage in blatant harassment.

In pursuance of the above Right, the bank will -

2.4.2.1. Ensure complete transparency so that the customer can have a better understanding of what he or she can reasonably / fairly expect from the bank;

2.4.2.2. Ensure that the bank's dealings with the customer rest on ethical principles of equity, integrity and transparency;

2.4.2.3. Provide customers with clear information about its products and services, terms and conditions, and the interest rates / service charges in simple and easily understandable language, and with sufficient information so that the customer could be reasonably expected to make an appropriate and informed choice of product;

2.4.2.4. Ensure that all terms and conditions are fair and set out the respective rights, liabilities and obligations clearly and as far as possible in plain and simple language;

2.4.2.5. Make known the key risks associated with the product as well as any features that may especially disadvantage the customer. Most Important Terms and Conditions (MITC) associated with the product or service will be clearly brought to the notice of the customer while offering the product. In general, it will be ensured that such terms will not inhibit a customer's future choice.

2.4.2.6. Provide information on interest rates, fees and charges, either on the Notice Board in the branches or website or through help-lines or help-desk and, where appropriate, the customer will be informed directly;

2.4.2.7. Display the tariff Schedule on their website and a copy of it will be made available at every branch for customer's perusal. Also, a notice will be displayed in Branches regarding availability of the Tariff Schedule at the branch;

2.4.2.8. Give details, in their Tariff Schedule, of all charges, if any, applicable to the products and services chosen by customer;

2.4.2.9. Inform the customer of any change in the terms and conditions through displaying on website of the Bank or a letter or Statement of Account, SMS

or email as agreed by the customer, at least one month prior to the revised terms and conditions becoming effective;

2.4.2.10. Ensure that such changes are made only with prospective effect after giving notice of one month. If the bank has made any change without giving such notice which is favorable to the customer, it will notify the change within 30 days of such change. If the change is adverse to the customer, prior notice of minimum 30 days will be provided and the customer may be provided options, to close the account or switch to any other eligible account without having to pay the revised charge or interest within 60 days of such notice;

2.4.2.11. Provide information about the penalties leviable in case of non-observance / breach of any of the terms and conditions governing the product / services chosen by the customer;

2.4.2.12. Display on public domain the Banks' Policies on Deposits, Cheque Collection, Grievance Redressal, Compensation and Collection of Dues and Security Repossession;

2.4.2.13. Make every effort to ensure that staff dealing in a particular product is properly trained to provide relevant information to customers fully, correctly and honestly;

2.4.2.14. Ensure to communicate to the applicant within a reasonable time period as decided by the bank about the acceptance / non-acceptance of applications submitted for availing a product / service and convey in writing the reasons for not accepting / declining the application. Such period will be notified in the bank's website and also in the application of the particular product or service.

2.4.2.15. Communicate unambiguously the information about –

- 2.4.2.15.1. Discontinuation of particular products,
- 2.4.2.15.2. Relocation of their offices
- 2.4.2.15.3. Changes in working hours
- 2.4.2.15.4. Change in telephone numbers
- 2.4.2.15.5. Closure of any office or branch

with advance notice of at least 30 days. Also affirm that disclosure of information is an on-going process through the life-cycle of the product / relationship and will be diligently followed by them. Ensure to use all possible channels of communication, including web-site, to ensure that information on all changes is made known to the customer upfront.

2.4.2.16. Advise the customer at the time of selling the product of the rights and obligations embedded in law and/or banking regulation including the need to report any critical incidents that the customer suspect, discover or encounter.

2.4.2.17. The bank's staff members shall, when approached by the customer for availing a product or service, provide all relevant information related to the product / service and also provide direction to informational resources on similar products available in the market with a view to enable the customer to make an informed decision.

2.4.2.18. Not terminate a customer relationship without giving reasonable or contractual prior notice to the customer.

2.4.2.19. Assist the customer in all available ways for managing his/her account, financial relationship by providing regular inputs in the bank's realms such

as account statements/passbooks, alerts, timely information about the product's performance, term deposits maturity, etc.

2.4.2.20. Ensure that all marketing and promotional material is clear and not misleading.

2.4.2.21. Not threaten the customer with physical harm, exert influence or engage in behavior that would reasonably be construed as unwarranted harassment. Ensure adherence only to the normal appropriate business practices.

2.4.2.22. Ensure that the fees and charges on products/services and its structure are not unreasonable to the customer.

2.4.2.23. Ensure that our advertisements will also include any relevant messages which require to be conveyed for enhancing awareness against unscrupulous / fictitious offers.

2.4.3. **Right to Suitability**

The products offered should be appropriate to the needs of the customer and based on an assessment of the customer's financial circumstances and understanding.

In pursuance of the above Right, the bank will -

2.4.3.1. Ensure that it has a Board approved policy for assessing suitability of products for customers prior to sale;

2.4.3.2. Endeavour to make sure that the product or service sold or offered is appropriate to the customer's needs and not inappropriate to the customer's financial standing and understanding based on the assessment made by it. Such assessment will be appropriately documented in the records.

2.4.3.3. Sell third party products only if it is authorized to do so, after putting in place a Board approved policy for marketing and distributing third party financial products;

2.4.3.4. Not compel a customer to subscribe to any third-party products as a quid-pro-quo for any service availed from the bank;

2.4.3.5. Ensure that the products being sold or service being offered, including third party products, are in accordance with extant rules and regulations;

2.4.3.6. Inform the customer about his responsibility to promptly and honestly provide all relevant and reasonable information that is sought by bank to enable them to determine the suitability of the product to the customer.

2.4.3.7. Adhere to all statutory guidelines of RBI, IRDA, SEBI, etc. on para banking activities like sale of insurance / mutual fund / other third-party investment products.

2.4.4. **Right to Privacy**

Customers' personal information to be kept confidential unless they have offered specific consent to the Bank or such information is required to be provided under the law or it is provided for a mandated business purpose (for example, to credit information companies). The customer to be informed upfront about likely mandated business purposes. Customers have the right to protection from all kinds of communications, electronic or otherwise, which infringe upon their privacy.

In pursuance of the above Right, bank will -

2.4.4.1. Treat customer's personal information as private and confidential (even when the customer is no longer banking with us), and as a general rule, not disclose such information to any other individual/institutions including its subsidiaries / associates, tie-up institutions, etc., for any purpose unless:

2.4.4.1.1. The customer has authorized such disclosure explicitly in writing
2.4.4.1.2. Disclosure is compelled by law / regulation;
2.4.4.1.3. Bank has a duty to the public to disclose, i.e., in public interest
2.4.4.1.4. Bank has to protect its interests through disclosure
2.4.4.1.5. It is for a regulatory mandated business purpose such as disclosure of default to credit information companies or debt collection agencies;

2.4.4.2. Ensure such likely mandated disclosures be communicated immediately to the customer in writing;

2.4.4.3. Shall not use or share customer's personal information for marketing purpose, unless the customer has specifically authorized it;

2.4.4.4. Shall adhere to Telecom Commercial Communications Customer Preference Regulations, 2010 (National Customer Preference Registry) issued by Telecom Regulatory Authority of India, while communicating with customers.

2.4.5. **Right to Grievance Redress and Compensation**

The customer has a right to have a clear and easy way to have any valid grievances redressed.

2.4.5.1. In pursuance of the above Right, bank will –

2.4.5.1.1. Deal sympathetically and expeditiously with all things that go wrong;
2.4.5.1.2. Correct mistakes promptly;
2.4.5.1.3. Cancel any charge that has been applied wrongly and by mistake;
2.4.5.1.4. Compensate the customer for any direct financial loss that might have been incurred by the customer due to its lapses.

2.4.5.2. The bank will also –

2.4.5.2.1. Place in public domain its Customer Grievance Redressal Policy, including the grievance redressal procedure available for the customer;
2.4.5.2.2. Place in public domain the compensation policy for delays / lapses in conducting / settling customer transactions within the stipulated time and in accordance with the agreed terms of contract;
2.4.5.2.3. Ensure to have a robust and responsive grievance redressal procedure and clearly indicate the grievance resolution authority who shall be approached by the customer;
2.4.5.2.4. Make grievance redressal mechanism easily accessible to customers;
2.4.5.2.5. Advise the customer about how to make a complaint, to whom such a complaint is to be made, when to expect a reply and what to do if the customer is not satisfied with the outcome;

2.4.5.2.6. Display name, address and contact details of the Grievance Redressal Authority / Nodal Officer/ CCEOs. The time limit for resolution of complaints will be clearly displayed / accessible at all service delivery locations;

2.4.5.2.7. Inform the complainant of the option to escalate his complaint to the Banking Ombudsman if the complaint is not redressed within the pre-set time;

2.4.5.2.8. Place in public domain information about Banking Ombudsman Scheme;

2.4.5.2.9. Display at customer contact points the name and contact details of the Banking Ombudsman under whose jurisdiction the bank's branch falls.

2.4.5.3. Further, the bank will –

2.4.5.3.1. Acknowledge all formal complaints (including complaints lodged through electronic means) within three working days and work to resolve it within a reasonable period, not exceeding 15 days (including the time for escalation and examination of the complaint by the highest ranking internal official responsible for grievance redressal). The 15-day period will be reckoned after all the necessary information sought from the customer is received; Further, additional 15 days period shall be allowed, if a complaint is escalated to Internal Ombudsman for his views/ concurrence.

2.4.5.3.2. Provide aggrieved customers with the details of the Banking Ombudsman Scheme for resolution of a complaint if the customer is not satisfied with the resolution of a dispute, or with the outcome of a dispute handling process;

2.4.5.4. In addition, the bank will:

2.4.5.4.1. Clearly spell out, at the time of establishing a customer relationship, the liability for losses, as well as the rights and responsibilities of all parties, in the event of products not performing as per specifications or things going wrong. However, the bank will not be liable for any losses caused by extraneous circumstances that are beyond its reasonable control (such as market changes, performance of the product due to market variables, etc.).

2.4.5.4.2. Ensure the customer is refunded without delay and demur, if it cannot show beyond reasonable doubt to the customer on any disputed transaction (along with interest/charges)

2.4.6. **Operation of Bank Accounts by Old/ Sick/ Incapacitated Customers:**

2.4.6.1. The cases of sick/old incapacitated account holders fall into following categories:

2.4.6.1.1. An account holder who is too ill to sign a cheque and cannot be physically present in the bank to withdraw money from his bank

account but can put his/ her thumb impression on the cheque/withdrawal form and

2.4.6.1.2. An account holder who is not only unable to be physically present in the bank but is also not even able to put his/her thumb impression on the cheque/ withdrawal form due to certain physical defect/ incapacity.

2.4.6.2. With a view to enabling the old/sick account holders to operate their bank accounts, it is advised to follow the procedure enumerated below:-

2.4.6.2.1. Wherever thumb or toe impression of the sick/old incapacitated account holder is obtained, it should be identified by two witnesses having business relationship with the bank, one of whom should be a bank official.

2.4.6.2.2. Where the customer cannot even put his/her thumb impression and would not be able to be physically present in the bank, a mark can be obtained on the cheque/withdrawal form, which should be identified by two witnesses having business relationship with the bank, one of whom should be a bank official.

("In terms of the General Clauses Act, the term **"Sign"** with its grammatical variations and cognate expressions, shall with reference to a person who is unable to write his name, include "mark" with its grammatical variations and cognate expressions. There must be physical contact between the person who is to sign and the signature or the mark put on the document. **Therefore, in the case of the person who has lost both his hands, the signature can be by means of a mark.** It could be the toe impression. It can be by means of mark which anybody can put on behalf of the person who must sign, the mark being put by an instrument which has had a physical contact with the person who has to sign.")

2.4.6.2.2.1. The customer may also be asked to indicate to the bank as to who would withdraw the amount from the bank based on cheque/withdrawal form as obtained above and that person should be identified by two independent witnesses. The person who would be drawing the money from the bank should be asked to furnish his signature. The branches are advised to obtain a letter in respect of above.

2.4.6.2.2.2. The person concerned has to make some mark somehow in the cheque/withdrawal slip for allowing operation in the account. On the very backside of the instrument on which the person is giving the instruction by a mark, the independent witnesses can confirm that the said mark was put up by the person concerned himself in their presence. The bank official may visit the house/hospital, if necessary, to identify the customer and genuineness of the case.

Appendix

A. List of Acronyms and Definitions

1. MITC: Most Important Terms and Conditions
2. SMS: Short Message Service
3. Email: Electronic Mail
4. CCEO: Chief Customer Executive Officer
5. SCCS: Standing Committee on Customer Service

B. List of references including related policies/forms, RBI circulars, etc.

1. "Master Circular on Customer Service in Banks" circulated vide RBI/2015-16/59/DBR No.Leg.BC.21/09.07.006/2015-16 dated 1st July 2015.
2. Telecom Commercial Communications Customer Preference Regulations 2010 (National Consumer Preference Registry) issued by Telecom Regulatory Authority of India.
3. RBI's Charter of Customer Rights dated 03-12-2014.

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