



**Saraswat  
Bank**

**Saraswat Co-operative Bank Ltd.**  
(Scheduled Bank)

## **CUSTOMER RIGHTS POLICY 2025-2028**

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## **Customer Rights Policy 2025-2028**

### **I. Introduction: -**

Customer protection is an integral part of financial inclusion. It spells out the rights of the customer and the responsibilities of the bank. Customer Rights Policy identifies the intrinsic rights, a customer gets during and after termination of his/her banking relationship. The policy aims to create a fair and conducive environment for its customers in obtaining satisfactory customer service through various banking channels.

### **II. Objectives of the Policy: -**

The Objective of the Policy is to document/ enshrine the basic rights of the customers and the responsibilities of the banker as regulated by the Reserve Bank of India. The policy aims to give an impetus to financial inclusion by enhancing customer protection. The policy also aims to provide excellent customer service by adhering to the principles of non-discrimination, transparency and honest dealings.

### **III. Ownership of the Policy: -**

The ownership of the Policy rests with Customer Relations & Experience (CRE) Department.

### **IV. Validity of the Policy:**

The Policy will be valid for three years i.e. for the period F.Y. 2025-28. The policy will become operative from the date of approval by Board of Directors and shall remain valid till it is reviewed. Further need based changes, if required, will be made from time to time after due approval from the Board.

### **V. Scope of the Policy:**

The Policy applies to all products and services offered by the bank or it's agents, whether provided across the counter, over phone, by post, through interactive electronic devices, on internet or by any other method/mode. The policy also advises to communicate all terms, conditions, pricing and features of a product/service, location of the service outlets, policies, and marketing & promotional material etc. in clear and unambiguous language.

### **VI. Applicability of the Policy:**

The Customer Rights Policy will be applicable to all the customers of the bank. The Policy will also be applicable to all the branches/zonal offices/departments handling banking transactions and related activities.

## **VII. Contours of the Policy:**

The Policy encompasses the five basic customer rights:

1. Right to Fair Treatment.
2. Right to Transparency, Fair and Honest Dealing.
3. Right to Suitability.
4. Right to Privacy.
5. Right to Grievance Redressal and Compensation.

### **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-**

- i) Promote good and fair banking practices by setting minimum standards in all dealings with the customers.
- ii) Promote a fair and equitable relationship between the bank and the customer.
- iii) Train bank staff attending to the customers, adequately and appropriately.
- iv) Ensure that staff members attend to customers and their business promptly and courteously.
- v) Treat all customers fairly and not discriminate against any customer on grounds such as gender, age, religion, caste, literacy, economic status, physical ability, etc.
- vi) 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 be tantamount to unfair discrimination. The rationale for such special schemes or terms will be explained by bank wherever required.
- vii) Ensure wherever product differentiation is done on the basis of age and/or income and specific facilities are offered to special target groups like women or backward classes, the bank will offer/explain the rationale behind these schemes.
- viii) Ensure that while offering any new product or service will examine all the guidelines by the regulatory authorities like RBI, SEBI, IBA, etc. to ascertain that the products and services offered are in accordance with the relevant laws and regulations.
- ix) Offer digital banking and payment systems in a secure, convenient, and robust technological environment.

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.

The Bank will ensure that all customer grievances are speedily resolved within the purview of the Customer Grievance Redressal Policy.

In case the customer approaches the bank with a request for compensation, the Bank will settle all such requests amicably, as per the guidelines set out in the Compensation Policy.

## **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 govern 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-**

- i) Ensure complete transparency so that the customer can have a better understanding of what he or she can reasonably/fairly expect from the bank.
- ii) Ensure that the bank's dealings with the customer rest on ethical principles of equality, integrity, and transparency.
- iii) 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.
- iv) 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.
- v) Make known the key risks associated with the product as well as any features that may especially of disadvantage to the customer to him/her. 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.
- vi) Display the schedule of Service charges, Interest rates/fees at the branches, on the website and a copy of it will be made available at every branch for the perusal of our customers.
- vii) Ensure that the customers who are enjoying credit facilities about any change in terms and conditions through a letter or statement of account, SMS or email at least one month prior to the revised terms becoming effective.

- viii) Ensure that any changes in terms and conditions are made only with prospective effect after giving notice of one month. If the Bank makes 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 charges within 60 days of such notice.
- ix) 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.
- x) Display on its website all customer centric policies as mandated by the regulatory authority viz. the policies on:
- Deposits
  - Cheque collection
  - Grievance Redressal
  - Compensation
  - Collection of Dues and Security Repossession
  - Customer Rights
  - Customer Protection (Unauthorized Electronic Banking Transactions)
  - Limited liability in respect of unauthorized electronic banking transactions
- xi) Display the Whistleblower Policy on the bank's website.
- xii) Make every effort to ensure that the staff dealing in a particular product is properly trained to provide relevant information to customers fully, correctly and honestly.
- xiii) Ensure to communicate to the applicant within a reasonable time period as decided by the bank about the acceptance/non-acceptance of loan applications submitted to the bank. The bank will convey in writing the reasons for non-acceptance of the application when asked for.
- xiv) Inform the customer about the following with advance notice of at least 30 days:
- Discontinuation of particular products
  - Closure of any branch or office
  - Changes in working hours of any branch/ office
  - Relocation of any branch or office
- xv) Ensure to use all possible channels of communication, including website, to ensure that information on all changes is made known to the customer upfront.
- xvi) Not terminate a customer relationship without giving reasonable or contractual prior notice to the customer except where specific regulatory/statutory requirement arises.
- xvii) Ensure that all marketing and promotional material is clear and not misleading.
- xviii) Assist the customer in all available ways for managing his/her account, financial relationship by providing regular inputs in the bank's realms as account statements/passbooks, alerts, timely information about the product's performance, term deposits maturity, etc.

- xix) Ensure that 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 with a view to enable the customer to make an informed decision.
- xx) 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.
- xxi) Ensure that the fees and charges on products/ services and its structure are not unreasonable to the customer.

### **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-**

- i) Ensure to only sell/offer products or services if they are appropriate to the customer's needs and financial standing.
- ii) Sell third party products with the approval of the Board.
- iii) Not compel a customer to subscribe to any third-party products as a quid-pro-quo for any service availed from the bank.
- iv) Ensure that the products being sold, or the service being offered, Including third party products, are in accordance with extant rules and regulations.
- v) Inform the customer about his/her responsibility to promptly and fairly provide all relevant and reasonable information that is sought by bank.

### **4. Right To Privacy:**

Customer's personal information will 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 should 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, the bank will-**

- i) 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:
  - a) The customer has authorized such disclosure explicitly in writing;
  - b) Disclosure is compelled by law/regulation/statutory bodies;
  - c) Bank has a duty to the public to disclose i.e., in public interest.
  - d) Bank has to protect its interests through disclosure.

- e) It is for a regulatory mandated business purpose such as disclosure of default to credit information companies or debt collection agencies.
- ii) Ensure such likely mandated disclosures be communicated immediately to the customer in writing.
- iii) Not use or share customer's personal information for marketing purpose, unless the customer has specifically authorized it.
- iv) Recognize that customers have the right to protection from all communications, electronic or otherwise which infringe upon their privacy.
- v) Adhere to Telecom Commercial Communications Customer Preference Regulations, 2018 (National Customer Preference Registry) issued by the Telecom Regulatory Authority of India, while communicating with customers through its vendors.

## **5. Right To Grievance Redressal and Compensation:**

The Bank recognizes that the customer has the right to hold the Bank accountable for all the products offered and the right to any valid grievance redressed, in respect of all products, including third party products. The Bank also has a duty to communicate the compensation available to the customer for non-performance, delays, etc.

### **In pursuance of the above Right, the bank will-**

- i) Deal sympathetically and expeditiously with all things that go wrong;
- ii) Correct mistakes promptly.
- iii) Cancel any charge that has been applied wrongly or by mistake.
- iv) Compensate the customer for any direct financial loss that might have been incurred by the customer due to its lapses as per Bank's Compensation policy.

### **The bank will also-**

- a) Place on its website its Customer Grievance Redressal Policy, including the grievance redressal procedure available for the customer; clearly indicating the time limit for resolution of complaints. A copy of the Grievance Redressal Policy will be available at all branches too.
- b) Place on its website, the Compensation Policy detailing the compensation for delays/lapses in conducting /settling customer transactions within the stipulated time and in accordance with the agreed terms of contract. A copy of Compensation Policy will be available at all the branches too.
- c) Ensure to have a robust and responsive grievance redressal procedure and clearly indicate the grievance resolution authority who should be approached by the customer.
- d) Make grievance redressal mechanism easily accessible to customers.



- e) 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.
- f) Display the name, address and contact details of the Nodal Officer/ the Banking Ombudsman in the branches and will also place the information about the Banking Ombudsman Scheme on the website.
- g) 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.
- h) 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 30 days (including the time for escalation and examination of the complaint by the highest ranking internal official response for grievance redressal). The 30-day period will be reckoned after all the necessary information sought from the customer is received.
- i) Lay down the procedure and time norms for settling customer complaints and will advise the customer on the same. The procedure for escalation of complaints will also be advised to the customer.

### **Customer' Responsibility:**

The Bank is committed to provide to customers excellent customer service, hassle free and fair treatment, quick redressal of grievances if any. However,

- The Bank will not be responsible for loss to the customer, if the customer acts fraudulently and/or acts without reasonable care which has resulted in loss to him/her.
- The Bank will also not be responsible for the losses arising out of misuse of lost pin, cheque book, passbook, compromise of passwords/secure or confidential information, suffered by the customer until the time the Bank has been notified and has taken steps to prevent the misuse.
- The Bank will also not be liable for any losses caused by extraneous circumstances that are beyond its reasonable control.
- The Bank will also expect that the customers behave courteously and honestly in their dealings with the Bank and would furnish correct personal details like address, mobile number and email address for speedy and effective communication when required.

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### **References: -**

- 1) IBA Model Customer Rights Policy
- 2) RBI Charter of Customer Rights Press Release: 2014-2015/1142