



**Saraswat
Bank**

Saraswat Co-operative Bank Ltd.
(Scheduled Bank)

CUSTOMER RIGHTS POLICY

(FY 2019-21)

CUSTOMER RIGHTS POLICY

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CUSTOMER RIGHTS POLICY

I.PREAMBLE:

- Customer protection has been one of the major focus areas of governments and Central Banks all over the world.
- Over the decade the banking industry has been in an overdrive mode with banks competing with each other to introduce new products , where technological innovations are the order of the day and where the customer finds himself the focus and target of all competing banks caught in a plethora of options, the intricacies of some being alien to him.
- Against this background the interests and rights of customers assume great importance and the relationship between the customer and the Bank should be one of mutual trust and transparency.
- In the most recent initiative, the RBI had drawn up a draft of the Charter of Customer Rights covering the five basic customer rights detailed below and had placed it on their website calling for public comments:
 - i) Right to Fair Treatment
 - ii) Right to Transparency and Honest Dealing.
 - iii) Right to Suitability
 - iv) Right to Privacy
 - v) Right to Grievance Redressal and Compensation
- IBA had collated the views received from member banks and as per instructions of Reserve Bank of India (RBI), the IBA and the Banking Codes and Standards Board of India (BCSBI) have drafted a Model Customer Rights Policy in line with the extant regulatory guidelines which has since been approved by RBI.

- This model Policy was forwarded to all the Banks with instructions to frame their own Board approved Policy on the basis of this model Policy at the earliest but not later than July 31,2015.
- Our Bank's Policy has been modeled on that of the Model given by the IBA.

II. OBJECTIVES:

- To enshrine the basic rights of the customers and bring clarity in the rights of the customer and the responsibilities of the banker
- To give an impetus to financial inclusion by enhancing customer protection.
- To provide excellent customer service by adhering to the principles of non-discrimination, transparency and honest dealing.

III. OWNERSHIP:

The ownership of the Policy rests with the SBU-Retail Banking.

IV. VALIDITY:

The Policy will be valid for two years i.e for the period FY 2019-21. The Policy will be reviewed and modifications, if any, based on the directives and other guidelines issued by RBI or any other regulatory authority from time to time will be incorporated in the Policy, after due approval from the Board.

V. SCOPE OF THE POLICY:

The Policy applies to all products offered by the Bank, whether provided across the counter, over phone, by post, through interactive electronic devices or internet or by any other method.

VI. APPLICABILITY OF THE POLICY:

This Customer Rights Policy will be applicable to all the customers of the Bank. The Policy will also be applicable to all the staff at 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 and Honest Dealing.
3. Right to Suitability
4. Right to Privacy
5. Right to Grievance Redressal and Compensation

1. Right to Fair Treatment:

- **The Bank will provide minimum banking facilities of receipt and payment of cash / cheque, remittances, exchange of soiled notes etc. at the bank's counter and will also provide cashless transactions through alternate delivery channels.**
- **The Bank will offer digital banking and payment systems in a secure, convenient and robust technological environment.**
- The Bank acknowledges the right of every customer to be treated with courtesy and will ensure that all staff members attend to customers and their business promptly and courteously.
- The customer will not be unfairly discriminated against on grounds such as gender, age, religion, caste and physical ability when offering and delivering financial products.
- The Bank will reiterate its commitments to individual customers outlined in the Bankers' Fair Practice Code of the Indian Bank's Association.

- The Bank will recognize the rights of common depositors and will adhere to all the guidelines under the Banking Codes and Standards Board of India for individual customers.
- The Bank will promote good and fair banking practices by setting minimum standards in dealings with the customers.
- 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 us with a request for compensation, the Bank will settle all such requests amicably, as per the guidelines set out in the Compensation Policy.
- The Bank will ensure that all the staff are well equipped, in terms of job knowledge as well as attitude to provide good customer service .This will be done by providing adequate training to the staff. The staff dealing in a particular product will be properly trained to provide all the relevant information to the customers.
- 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.
- The Bank, while offering any new product or service will examine all the guidelines given by the regulatory authorities like RBI, SEBI, and IBA etc to ensure that the product and services offered are in accordance with relevant laws and regulations.

2. Right to Transparency, Fair and Honest Dealing:

- The Bank will ensure that the dealings with the customer are based on ethical principles of equity, integrity and transparency.
- The Bank will ensure complete transparency so that the customer knows what to expect from the Bank.
- The Bank will make all efforts to see that any communication meant for the customer be it policies, advertisements, promotional material, notices are all framed in simple language so that they are easily understood.
- The Bank will make every effort to ensure that the contracts and agreements it draws up will be transparent and easily understood by the common person. It will ensure that all the terms and conditions are fair and indicate clearly the rights, liabilities and obligations
- The Bank will make every effort to ensure that the customer is not subject to unfair business or marketing practices, coercive contractual terms or misleading representations. Every action and dealing on the part of Bank will emphasize transparency and fairness.
- The Bank will disclose all the terms and conditions pertaining to a product, interest rate/service charges in simple and easily understandable language at the Branch and also on the Bank's Website and with sufficient information so that the customer can be reasonably expected to make appropriate and informed choices of the product.
- The Bank will make the appropriate arrangements for receiving complaints and suggestions-Complaint Register and Suggestion Box- at branches.

- The Bank will bring to the notice of the customer the product's price, Most Important Terms and Conditions(MITC) associated with the product or service, the risks associated with the product as well as any features that may be especially disadvantages to the customer.
- The Bank will display the schedule of Service charges, interest rates at the branches, on the Website and a copy of it will be made available at every branch for the customer's perusal.
- The Bank will inform 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.
- The Bank will 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.
- Where the change is adverse to the customer, prior notice of minimum 30 days will be given and the customer will have the option to close the account or switch to any other eligible account without having to pay the revised charges within 60 days of such notice.
- The Bank will provide information about the penalties leviable in case of breach of any of the terms and conditions.
- The Bank will display on its Website all customer centric Policies as mandated by the BCSBI viz. the Policies on :
 - i. Deposits,
 - ii. Cheque Collection
 - iii. Grievance Redressal
 - iv. Compensation

- v. Collection of Dues and Repossession of Security
- vi. Customer rights
- vii. **Customer Protection (Unauthorized Electronic Banking Transactions)**
- viii. **Limited liability in respect of unauthorized electronic banking transactions.**

- The Code of Commitment to Customers and the Code of Commitment to Micro and Small Enterprises as mandated by the BCSBI will also be displayed on the Website. The Bank will also display the Whistleblower Policy on the Bank's Website.
- The Bank will 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 a branch or office.
- The Bank will assist the customers by providing them with the passbook/statement of accounts, alerts, timely information about products etc.
- The Bank will examine the fees and tariffs on products/services at intervals and it will be ensured that fees and charges levied on the products and services are not unreasonable to the customer.
- In case of non acceptance of a request of any loan, the Bank will convey, in writing, the reasons for non acceptance of the application when asked for.
- The Bank will never threaten the customer with physical harm, exert undue influence or engage in blatant harassment.

- The Bank will not terminate a customer relationship without giving reasonable or contractual prior notice.

3. Right to Suitability:

It will be ensured that products offered are appropriate to the needs of the customer and based on an assessment of the customer's financial circumstances and understanding.

- The Bank will only sell/offer products or services if it is appropriate to the customer's needs and financial standing.
- The Bank sells third party products with the approval of the Board.
- The Bank will not compel a customer to subscribe to any third party product as a quid-pro-quo for any service availed from the Bank.
- The Bank will ensure that the extant rules and regulations are followed during the process of selling products/offering services.
- The Bank will keep the customer apprised about the necessity for providing all the relevant information correctly.

4. Right to Privacy:

- The Bank will treat the customer's personal information as private and confidential and as a general rule will not disclose such information to any other individuals/institutions, unless
 - the customer has authorized such disclosure explicitly in writing
 - the disclosure is compelled by law/regulation
 - the Bank has a duty in the public interest

- the Bank has to protect its interests through disclosure
 - for a mandatory business purpose like disclosure to credit information companies
- The Bank will ensure that all the mandated disclosures are communicated immediately to the customer in writing.
 - The Bank recognizes that customers have the right to protection from all communications, electronic or otherwise which infringe upon their privacy.
 - The Bank will not use or share the customer's personal information for marketing purposes unless authorized to do so.
 - The Bank will, while communicating with the customer, adhere to the Telecom Commercial Communications Customer Preference Regulations 2010 issued by the Telecom Regulatory Authority of India through its vendors.
 - The staff will be made aware of the banker's obligation to maintain secrecy arising out of the contractual relationship between the banker and customer and that no information should be divulged to third parties except under special circumstances which are well defined.

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. Towards this end the Bank

- will deal sympathetically and promptly in case of things going wrong.
- will correct any mistakes promptly
- will cancel any charge that has been applied wrongly or by mistake.

- will compensate the customer for any direct financial loss incurred by the customer due to lapses on the part of the Bank.
- will place on its Website the 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 also.
- will also 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 branches also.
- will lay down a robust redressal procedure with the authority structure for such redressals clearly spelt out.
- will make the redressal mechanism easily accessible to the customers.
- will 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 Nodal Officer responsible for grievance redressal). The 30 day period will be reckoned after all the necessary information sought from the customer is received.
- will 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.
- will display in the branches, the name, address and contact details of the Nodal Officer/ the Banking Ombudsman and will also place the information about the Banking Ombudsman Scheme on the website.
- will 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.

VIII.CUSTOMER'S 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 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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