

CUSTOMER POLICIES

- **GRIEVANCE REDRESSAL POLICY**
- **CUSTOMER COMPENSATION POLICY**
- **CUSTOMER PRIVACY POLICY**
- **CUSTOMER EDUCATION POLICY**
- **CUSTOMER PROTECTION POLICY**

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1. Introduction

- 1.1. The Customer Policy document of Bandhan Bank (henceforth referred as “the Bank” or “Bank”) communicates the shared values and beliefs of the entire Bank. The guidelines and instructions on services to be rendered to the customers as documented under this policy shall encompass all the customer touch-points of the Bank – all its Branches, Banking Units (BUs), Housing Finance Centres, Contact Centre, etc. The Policy of the Bank shall be updated annually or before, depending on changes in regulatory directives and/ or management decision.
- 1.2. This policy incorporates the tenets introduced by RBI in the ‘Draft Charter of Customer Rights’ in August 2014.
- 1.3. For the purpose of this document, a ‘Customer’ is defined as a user or potential user of banking services. So defined, a Customer may include –
 - 1.3.1. a person or entity that maintains an account and/or has a business relationship with the Bank;
 - 1.3.2. one on whose behalf the account is maintained (i.e. the beneficial owner);
 - 1.3.3. beneficiaries of transactions conducted by professional intermediaries, such as Stock Brokers, Chartered Accountants, Solicitors etc. as permitted under any person or entity connected with a financial transaction which can pose significant reputational or other risks to the Bank, say, an electronic transfer or issue of a high value demand draft as a single transaction
- 1.4. Aims and objectives of the Customer Policy:
 - 1.4.1. To establish the bank’s commitment to customers and to define how the same shall be demonstrated through all activities of the bank
 - 1.4.2. To provide a uniform bank-wide framework for defining customer service delivery standards
 - 1.4.3. To provide a consistent framework for specifying the rights of the customers
 - 1.4.4. To provide a consistent bank-wide framework for defining how customer complaints and grievances shall be handled
- 1.5. The consistent growth in the bank’s business is expected to be driven by acquisition of new customers and retention of existing ones. This can be ensured only with an effective customer service at all levels. The quality of customer service is definitely reliant on a bank-wide standardization accompanied by a focused engagement for a hassle free delivery. This Customer Policy has been framed with a priority objective for the bank to meet customer requirements. This is directed to provide prompt, courteous and efficient service to the customers, which in turn:

- 1.5.1. Offers customer satisfaction
- 1.5.2. Redressal of customer grievances.

1.6. This customer Policy encompasses the following sub-policies, which are detailed in the document –

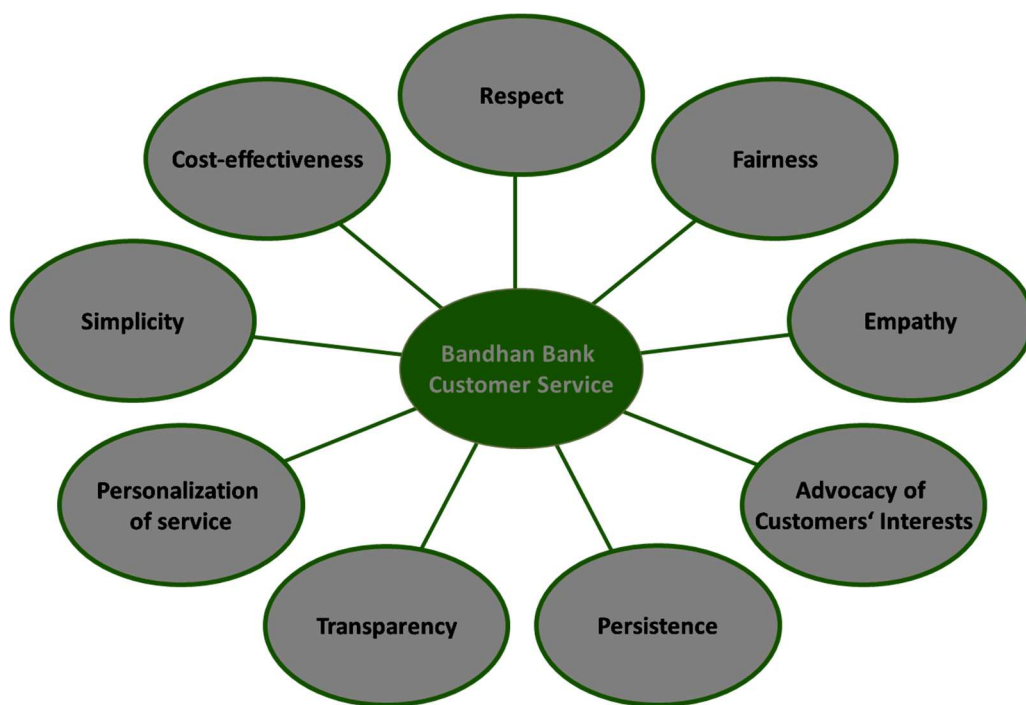
- 1.6.1. Overall guiding principles
- 1.6.2. Grievances Redressal Policy
- 1.6.3. Customer Compensation Policy
- 1.6.4. Customer Privacy Policy
- 1.6.5. Customer Education Policy
- 1.6.6. Customer Protection Policy

2. Overall Guiding Principles

2.1. The overall guiding principles on which the Customer Policy of the Bank shall be based are described in the following section:

- 2.1.1. Respect
- 2.1.2. Fairness
- 2.1.3. Empathy
- 2.1.4. Advocacy of customers interests
- 2.1.5. Persistence
- 2.1.6. Transparency
- 2.1.7. Personalization of service
- 2.1.8. Simplicity
- 2.1.9. Cost effectiveness

Figure 1 Guiding Principles for the Bank's Customer Service Policy



2.2. Respect

- 2.2.1. Respect for all customers of the Bank shall mean that customers from all socio-economic backgrounds are treated with equal respect and dignity.
- 2.2.2. In addition, all employees shall ensure that –
 - 2.2.2.1. All customers are extended due courtesies
 - 2.2.2.2. Every customer who comes into a branch / banking unit or who the DSP meets is greeted in an appropriate manner
 - 2.2.2.3. All forms of non-face-to-face communication with the customer including telephonic calls and email shall also be courteous
 - 2.2.2.4. Vernaculars shall be used whenever possible

2.3. Fairness

- 2.3.1. Fairness in dealing with customers implies that, at all times, all customers shall be treated equally. It shall also mean that all dealings with customers are conducted in an ethical manner. All employees shall ensure that any grievance of customers is treated in an unbiased and just manner.

2.4. Empathy

- 2.4.1. All the Bank's employees shall give a patient and compassionate hearing to all the customers' queries, concerns and complaints. All customer-facing employees – including in branches, in Banking Units and the DSPs shall ensure that customers are comfortable in their presence and do not suffer from any kind of inhibition while dealing with them.
- 2.4.2. Advocacy of Customers' Interests
- 2.4.3. At all times, due and right interests of The Bank's customers shall be honored and protected by the Bank. This shall mean that all employees shall ensure that the customers' interests are prioritized over his own or the Bank's interests and no employee shall ever mislead any of the Bank's customers, under any circumstance.

2.5. All customer-facing employees of the Bank – branch / Banking Unit employees and DSPs shall

- 2.5.1. Handle all customer complaints promptly
- 2.5.2. Inform the customers on how to take their complaints forward if they are still not satisfied
- 2.5.3. Correct mistakes promptly and reverse any bank charges applied by mistake, as per established procedure

2.6. The Bank's management shall also ensure that all branches and Banking Units shall –

- 2.6.1. Meet the commitments and standards set in the BCSBI (Banking Codes and Standards Board of India) Code, for the products and services offered, and in the procedures and practices followed in them
- 2.6.2. Offer products and services that are appropriate to customers' needs
- 2.6.3. Make sure that all dealings with customers are based on ethical principles of integrity and transparency
- 2.6.4. Operate secure and reliable banking and payment systems to provide the best possible protection for customers' money

2.7. In addition to above, Bank employees shall provide special attention to below –

- 2.7.1. Privacy and Confidentiality:
 - 2.7.1.1. All customers' personal information shall be treated as private and confidential (even when they are no longer customers), and all employees shall take the policy of Privacy and Confidentiality of customer information with utmost seriousness
- 2.7.2. Information or data relating to customers' accounts, whether provided by the customer or otherwise, shall not be revealed to anyone, including other companies / entities in the group, other than in the following exceptional cases:
 - 2.7.2.1. Give the information if required by Law or banking regulator

- 2.7.2.2. If there is a duty towards the public to reveal the information
- 2.7.2.3. If the Bank's interests require to give the information (for example, to prevent fraud) but this shall not be used as a reason for giving information about the customers or their accounts (including their names and addresses) to anyone else, including other companies in the group, for marketing purposes
- 2.7.2.4. If the customer authorizes to reveal the information
- 2.7.2.5. If The Bank is asked to give a banker's reference about the customer, the Bank shall need the customers' written permission before giving the same
- 2.7.3. Customers' personal information shall not be used for marketing purposes by any of the Bank's employees including the Bank itself unless the customer has specifically authorized the Bank to do so
- 2.7.4. 'Do Not Call' service:
 - 2.7.4.1. No unsolicited commercial information shall be transmitted to customers regarding products and services, through telephone calls / SMS/ e-mails, if the customers have registered with the 'Do Not Call Registry' of the bank, or with the 'National Do Not Call Registry' directly or through their Service Provider.
 - 2.7.4.2. However, this shall not apply while providing information with regard to customers' account statements and other important advices and information including alerts relating to transactions on their accounts as also the products and services they are currently availing
- 2.7.5. Persistence
 - 2.7.5.1. All customer-facing employees of the Bank shall exhibit persistence and involvement in handling and resolving customer issues.
 - 2.7.5.2. Additionally, all employees shall ensure the following –
 - 2.7.5.2.1. He/she shall endeavour to ensure ' first contact resolution' and escalate only unresolved cases
 - 2.7.5.2.2. He/she shall extend guidance to the customer with regards to the authority to be approached for complain resolution in case the solution does not lie with the bank
- 2.7.6. Transparency
 - 2.7.6.1. All information provided to customers shall be lucid, easily understandable and consistent across all customer touch-points.
 - 2.7.6.2. The Bank, through its employees, shall ensure that –
 - 2.7.6.2.1. All customers are provided information about financial products and services in languages they understand
 - 2.7.6.2.2. All advertising and promotional literature is clear for the customer to understand and not misleading for the customer in any way
 - 2.7.6.2.3. The customers are given comprehensive information about all products and services, terms and conditions and the interest rates / service charges, which apply to them

- 2.7.6.2.4. The customers are provided information on the facilities provided to them and whom and how they may contact for addressing their queries
- 2.7.6.2.5. The customers are provided appropriate updates regularly
- 2.7.7. All the Bank's customers shall be provided the following information through appropriate displays in branches / banking units or through other appropriate means –
 - 2.7.7.1. Display of information: Displays on customers' information in branches / banking units shall include the following –
 - 2.7.7.1.1. Services provided: Minimum balance requirement if any, for Savings and Current Accounts and the charges for non-maintenance thereof
 - 2.7.7.1.2. Name of the official at the branch / Banking unit whom customers may approach if they have a grievance
 - 2.7.7.1.3. Name and address of the next level whom customers can approach if their grievance is not addressed at the branch / Banking unit
 - 2.7.7.1.4. Name of the Reserve Bank Ombudsman under whose jurisdiction the branch / Banking Unit falls along with the address and phone number of the Centralised Receipt and Processing Centre and the URL for lodgement of complaints
- 2.8. The Customer Policies shall be displayed on website.
- 2.9. Customers shall be given all information on the products and services offered, including applicable interest rates, fees and charges
- 2.10. Documents required for opening Basic Savings Accounts shall be prominently displayed in bilingual / trilingual at all branches
- 2.11. All customers shall be informed about the different channels through which the products and services may be availed
- 2.12. All customers shall be informed about information and documents required to comply with legal, regulatory and internal policy requirements
- 2.13. All customers shall be given information on their rights and responsibilities
- 2.14. Information On Interest Rates
 - 2.14.1. All customers shall be given the following information on interest rates:
 - 2.14.1.1. the interest rates which apply to their deposit and loan accounts
 - 2.14.1.2. in case of loans at fixed rate of interest, details of interest reset clause, if any, in the loan agreement and the effective date thereof

- 2.14.1.3. in case of loans at floating rate of interest, the reference rate to which customers' floating rate shall be linked and how the actual rate is calculated
- 2.14.1.4. whether the customer has the option of converting his loan from fixed rate to floating rate and vice versa and, if so, the charges therefore.
- 2.14.1.5. periodicity at which interest on deposits are paid or interest on the loan accounts are charged
- 2.14.1.6. how interest to customers' deposit and loan accounts are applied
- 2.14.1.7. All customers shall be informed of changes in interest rates, etc., by any of the following means
 - 2.14.1.7.1. Letter
 - 2.14.1.7.2. E-mail
 - 2.14.1.7.3. SMS
 - 2.14.1.7.4. This information shall also be displayed on the Notice Boards in all branches as also on the website.
- 2.15. Information on fees and charges
 - 2.15.1. All fees and service charges shall be approved by the Bank's Board or any competent authority duly authorized by the Board
 - 2.15.2. Tariff Schedule shall be placed on website and a copy shall be made available at every branch / banking unit for customers' perusal. A notice shall be displayed in all branches / banking units stating the availability of the Tariff Schedule
 - 2.15.3. 2.15.3. Tariff Schedule shall contain details of charges applicable to products and services and penalties leviable in case of violation of any of the terms and conditions
- 2.16. Information on changes in fees and charges
 - 2.16.1. If any fee or charge is changed or a new fee or charge is introduced, all customers shall be notified through letters / emails / statements of accounts / SMS alerts prior to the revised charges becoming effective. This information shall also be made available on website and on branch and banking unit notice boards
- 2.17. Information on Terms and Conditions
 - 2.17.1. Customers shall be advised about the relevant terms and conditions for the products / services
 - 2.17.2. All terms and conditions shall be fair and shall set out the respective rights, liabilities and obligations clearly, and as far as possible in plain and simple language
- 2.18. Information on changes to Terms and Conditions:

- 2.18.1. The customers shall be informed 30 days in advance about changes in terms and conditions through any one or more of the following channels:
- 2.18.1.1. Letter
 - 2.18.1.2. E mail
 - 2.18.1.3. Statements of account
 - 2.18.1.4. SMSs
 - 2.18.1.5. This information shall also be made available on the Notice Boards in all branches/banking units and website
- 2.19. Normally, all changes shall be made with prospective effect giving adequate notice to the customers
- 2.20. Any changes in the terms and conditions shall be updated on website. On request, customers shall be given a copy of the new terms and conditions
- 2.21. Personalization of Service
- 2.21.1. Customer service shall be personalized as per the customers' needs. This shall mean that each of the Bank's employees shall be expected to provide customer-centric and friendly service to all customers.
- 2.22. Simplicity
- 2.22.1. For the Bank's customers, 'simplicity' shall translate to easily comprehensible product delivery or servicing and simple and quick processes. All customer-facing employees of the Bank shall ensure that services towards customers are simple and timely.
- 2.23. Cost-effectiveness
- 2.23.1. All customer-facing employees of the Bank shall ensure that –
 - 2.23.1.1. They are fully conversant with the products and services they handle so as to be able to answer any query from customers in a professional manner
 - 2.23.1.2. They provide the brochures/pamphlets on these products/services to the customers to assist them in making informed decisions
- 2.24. The Bank's employees need to provide special attention to the following –
- 2.24.1. General Communication
 - 2.24.2. They shall identify themselves in all communications with the customers
 - 2.24.3. They shall also follow the 3 Cs of good communication – Correctness, Conciseness and Considerateness

2.24.4. Wherever, channels like email, SMS etc. are employed, necessary safeguards shall be observed so as not to compromise the interests of either the Bank or the customer

2.25. Advertising, Marketing & Sales

2.25.1. The Bank shall ensure that all advertising and promotional materials are unambiguous and comprehensible

2.25.2. All advertisements and promotional literatures shall indicate full details of relevant terms & conditions including all fees and charges

2.25.3. If the Bank avails of the services of third parties for providing support services, the Bank shall ensure that the third party handles customers' personal information with the same degree of confidentiality and security as the Bank itself would

2.25.4. Features of products availed by the customers may be communicated, from time to time, by e-mail, SMS or over the telephone. However, information about other products or promotional offers shall be conveyed only if they have not registered for the 'Do Not Call' facility

2.26. Mis-selling of banking and third party products

2.26.1. In keeping with the overall guiding principles of fairness and transparency, the Bank shall adopt the following guidelines in respect of selling banking products and third party products:

2.26.1.1. The Bank shall ensure that customers are provided clear information and are kept appropriately informed of the financial products that the Bank shall offer. The Bank shall offer appropriate financial advice taking into account the customers' needs and circumstances.

2.26.1.2. The Bank shall treat all customers fairly in selling all banking products, especially third party products, such as insurance, mutual funds, etc. and shall always act in the best interest of the customers

2.26.1.3. The Bank employees shall not directly receive any incentive from third parties, such as insurance companies, mutual funds, etc. and other entities for selling their products

2.26.1.4. Misrepresenting products or misguiding customers shall be considered breach of service rules.

2.26.1.5. The Bank shall be transparent in disclosing to customers the details of fees / commissions received for referring products of other service providers.

2.26.1.6. The Bank shall diligently adhere to 'know your customer' (KYC) norms for sale of third-party products.

2.26.1.7. Any customer complaint received alleging mis-selling of banking services by the Bank's employees shall be investigated quickly and fairly.

A. GRIEVANCE REDRESSAL POLICY

1. Introduction:

- 1.1. Bank is essentially an institution engaged in meeting financial as well as non-financial service needs of the society. Given this, customer service takes the centre stage in the banking business. In the present scenario of competitive banking, an excellent customer service is the most important tool for sustained business growth.
- 1.2. As a service organization, customer service and customer satisfaction should be the prime concern of any bank. The bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones. This policy document aims at minimizing instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of customer complaints and grievances. The review mechanism should help in identifying shortcomings in product features and service delivery.

2. Objective:

- 2.1. The Objective of the policy is to spell out the framework for Grievance Redressal in the Bank entailing adherence to the provisions prescribed by the Reserve Bank of India (RBI).
- 2.2. The bank's policy on grievance redressal follows the under noted principles:
 - a) All customers are treated fairly and without bias at all times.
 - b) All complaints received from customers are dealt with courtesy as per defined timelines
 - c) Customers are fully informed of avenues to escalate their complaints/grievances within the Bank and their rights to alternative remedy, if they are not fully satisfied with the response of the Bank to their complaints.
 - d) The employees shall work in good faith and without prejudice towards the interest of the customer

3. Applicability/Coverage:

- 3.1. The bank has clearly defined Requests, Queries and Complaints so that customer issues are captured and addressed accurately.

Request:

A Request is an ask made by the customer for banking services / products.

Query/ Enquiry:

A Query is:

- a) Any doubt/ enquiry

- b) Customer seeking/ cross-checking clarification/more information
- c) Customer enquiring/ cross checking before the expiry of specified turnaround time (TAT) for service/ deliverables
- d) Customer checking status/ progress

Complaint:

A Complaint is:

- a) Service deficiency or error on the part of the bank in offering any service and
/or
- b) Non-conformance in any of the bank's product / process leading to a dispute / grievance / protest / grumble / accusation / objection

3.2. The grievance redressal mechanism will be applicable and cover complaints received from all customers of the Bank including customers of third party products as well as complaints emanating from rural areas and those relating to financial assistance to Priority Sector and Government's Poverty Alleviation Programmes. The grievance redress channels of the bank shall also be available to deal with issues relating to services provided by Outsourced Agencies.

4. Customer Service Principles: The Bank's Customer Service Delivery will be based on the following principles:

- 4.1. **Courtesy** – Every customer will be shown due courtesies, whether or not the Bank is in a position to meet his/her needs. Staff will always be polite in their spoken words, body language and demeanour. Courtesy will be shown in all circumstances, even in difficult situations where the customer does not show similar courtesy in return.
- 4.2. **Ethics and Transparency** – Every dealing with customer will be done in an honest, equitable, ethical and fair manner. Complete, clear and precise information will be provided, as per extant guidelines, to the customers in response to their queries.
- 4.3. **Speed and Timeliness** – Customer's needs and instructions should always be given top priority and taken care of promptly without any undue delay. Commencement of banking business and opening of counter services should be done in time rendering uninterrupted service during business hours.
- 4.4. **Efficiency and Accuracy** – All customer instructions should be executed efficiently and accurately. The information provided by the Bank to the customer should be factual, accurate and unambiguous.

- 4.5. **Concern** – The bank will always be concerned for the well-being of its customers. Anticipating the customer's problems and guiding them shows that Bank cares for them and is equally concerned.
- 4.6. **Communication** – Communication with customers should be clear and effective. The Bank will always welcome opinion and suggestions from customers and such opinions/ suggestions will be seriously evaluated, and, if found to be feasible, will be subsequently implemented.

5. Grievance Redressal Mechanism:

- 5.1. The Bank shall follow the principle of **“First Contact Resolution”**, i.e., all efforts to be made to resolve the grievance to full satisfaction of the complainant at the point of first contact.
- 5.2. All efforts shall be made to resolve the grievance to the full satisfaction of the complainant at the point of first contact so as to prevent further escalation of the grievance to external forums like, RBIO, CEPC, CPGRAMS, INGRAM, etc.
- 5.3. Complaints maybe received by the Bank from its customers at all levels - Branches, Banking Units, Housing Finance Centres, Cluster Offices, Regional Offices, Zonal Offices and Head Office as well other customer contact points such as Phone Banking Centre, Bandhan Bank website, Customer Care mail IDs. Issues raised by customers on social media platforms like facebook, twitter, linkedin, etc. will also be treated as complaints, wherever applicable.
- 5.4. All complaints shall be registered in the complaint management application of the Bank and tracked till closure. An acknowledgement will be provided to customers for all the complaints lodged through any channels/Banking Outlets.
- 5.5. It will be the responsibility of the respective branch/banking unit/HF Centre/Contact centre/Customer Service Dept. at Head Office receiving the complaint, to lodge all complaints in the Complaint Management Application. Further, customer service department will maintain oversight to drive timely closure of complaints in liaison with the respective resolving departments.
A communication / notification post resolution will be automatically sent to the customer. The Customer Service Department at HO will consolidate the complaints received through all channels and publish a pendency MIS to all HODs and relevant departments. Any correspondence with customer will be managed by the Customer Service Department at HO and the respective channels. Correspondence with regulator and maintenance of data will be managed by Customer Service Department at HO. Further Customer Service Department will ensure to maintain the SOP also for better clarity.
- 5.5.1. After receiving the resolution from the concerned department/unit, the branch/banking unit/HF Centre/Contact centre/Customer Service unit at Head Office which had received

and lodged the complaint in Complaint Management Application will ensure closure of the complaint in the application.

5.6. A complaint redressal mechanism, as mentioned below, shall be put in place by the Bank for resolving customer complaints expeditiously, to bring about more transparency and to assist in creating a positive image of the Bank amongst its customers.

6. Channels for receiving Customer Grievances / Complaints, turnaround time for resolution and Grievance escalation matrix:

6.1. Level 1 – Branch / Contact Centre / Banking Unit / Housing Finance Centre / Social Media / Email / Webform

6.1.1. Customer can fill up the complaint form (available in our branches / Banking Unit / Housing Finance Centre or in the website) or write a letter and submit it to the Branch Head, or any officer, of any one of our branches / Banking Unit / Housing Finance Centre. Each centre will also have a complaints/suggestions box installed, which will be cleared on a daily basis by the authorized officer. All complaints will be lodged in the Bank's Complaint Management application by the respective branches / Banking Unit / Housing Finance Centre.

6.1.2. Customers may call our Toll free number at **1800-258-8181** and lodge a complaint.

6.1.3. Branch Head / Banking Unit Manager / Housing Finance centre official will be responsible for resolution of complaints received in respective branches / Banking Unit / Housing Finance Centre.

6.1.4. Head Contact Centre will be responsible for timely and accurate lodgement of complaints received at the Contact Centre over telephone. He / she will also be responsible for complaints received by email in the ID customercare@bandhanbank.com.

6.1.5. Head Marketing will be responsible for tracking the customer interactions received through Social Media platforms. The interactions received through social media platforms will promptly be forwarded to the Contact Centre Team for redressal of grievances if applicable.

6.1.6. Each complaint will be resolved within 7 days. In case the resolution involves frauds, or legal cases which need retrieval of documents and old records, the resolution time may exceed 7 days. If any case needs additional time, the Bank will inform the customer and provide expected time lines for resolution.

6.2. Level 2 – Grievance Redressal Manager

6.2.1. If the customer is not satisfied with the resolution provided and prefer to escalate the complaint, he may do so to the Grievance Redressal Manager at grievanceredressalmanager@bandhanbank.com.

6.2.2. The customer may also call the Grievance Redressal Manager.

6.2.3. The Grievance Redressal Manager will relook into the matter and resolve the complaint within 8 days from receipt of the complaint. If any case needs additional time, the Bank will inform the customer and provide expected time lines for resolution.

6.3. Level 3 –Principal Nodal Officer

6.3.1. If the customer is not satisfied with the resolution, he may escalate the complaint to the Principal Nodal Officer at pno@bandhanbank.com

6.3.2. The customer may also call the Principal Nodal Officer.

6.3.3. The customer may also send a letter to the address as mentioned on the website.

6.3.4. The Office of the Principal Nodal Officer will look into the matter and arrange to send the resolution to the complainant within 15 days of receipt of the complaint.

6.4. Executive Response unit

6.4.1. Customers may reach out to the MD & CEO, Executive Directors and other Senior Management of the Bank on the email ids mentioned on the Bank's website.

6.4.2. All complaints escalated to the Bank's MD & CEO; Executive Directors and other Senior Management will be handled by a dedicated Executive Response Unit.

6.4.3. These complaints will be resolved within 15 days.

6.5. Internal Ombudsman (IO):

6.5.1. The Internal Ombudsman (IO) mechanism had been set up by RBI with a view to strengthen the internal grievance redressal system of banks and to ensure that the complaints of the customers are redressed at the level of the bank itself by an authority placed at the highest level of bank's grievance redressal mechanism so as to minimize the need for the customers to approach other fora for redressal.

6.5.2. The Internal Ombudsman shall either be a retired or serving officer, in the rank equivalent to a General Manager of another bank / Financial Sector Regulatory Body / NBSP / NBFC / CIC, having necessary skills and experience of minimum seven years of working in areas such as banking, non-banking finance, regulation, supervision, payment and settlement systems, credit information or consumer protection.

6.5.3. The Bank may appoint more than one Internal Ombudsman depending on the volume of complaints received to ensure continuity of operations during the absence of the Internal Ombudsman.

6.5.4. The Bank will provide prior information to Consumer Education and Protection Department, Central Office, Reserve Bank of India in case of temporary absence of the Internal Ombudsman exceeding 15 working days, advising inter-alia, details of alternate

arrangements being put in place. However, such temporary absence should not exceed 30 days.

6.5.5. The appointment of the Internal Ombudsman / Deputy Internal Ombudsman will be of a contractual nature. The tenure of the Internal Ombudsman / Deputy Internal Ombudsman shall be a fixed term of not less than three years, but not exceeding five years.

6.5.6. The Internal Ombudsman shall not handle complaints received directly from the complainants or members of the public but deal with the complaints that have already been examined by the Bank but have been partly or wholly rejected by the bank.

6.5.7. The Internal Ombudsman shall examine all customer grievances, arising out of an act or omission of the Bank resulting in deficiency in service, received by banks and which are partly or wholly rejected by bank's internal grievance redressal mechanism, except the following:

6.5.7.1. Complaints related to corporate frauds, misappropriation etc., except in respect of deficiency of service, if any, on the part of the bank

6.5.7.2. Complaints/references relating to a) internal administration, b) human resources, c) pay and emoluments of staff;

6.5.7.3. References in the nature of suggestions and commercial decisions of bank. However, service deficiencies in cases falling under 'commercial decisions' will be valid complaints for the Internal Ombudsman;

6.5.7.4. Complaints which have been decided by or are already pending in other fora such as consumer fora, Courts, Debt Recovery Tribunals, etc.

6.5.7.5. Disputes for which remedy has been provided under Section 18 of the Credit Information Companies (Regulation) Act, 2005

6.5.8. The bank shall forward all rejected / partially rejected complaints under the categories 6.5.6 and 6.5.7 above to the Internal Ombudsman/s. The Internal Ombudsman shall look for inherent deficiency in service in such cases and take a view whether any of these complaints can be exempted under 6.5.6 and 6.5.7 above as decided by the bank. Wherever felt necessary, the Internal Ombudsman may seek additional information and documents from the complainant, through the Bank. Complaints that are outside the Internal Ombudsman's purview shall be immediately referred back to the Bank by the Internal Ombudsman.

6.5.9. The Internal Ombudsman may hold meetings with concerned functionaries / departments of the bank and seek any record / document available with the bank that is necessary for examining the complaint and reviewing the decision. To ensure resolution through conciliation, the Internal Ombudsman may seek direct feedback / clarifications from the complainant.

6.5.10. In cases of conciliation, where the decision of the Internal Ombudsman is accepted by the complainant, the Internal Ombudsman shall obtain and keep on record, a statement showing the terms of the agreement duly signed by the complainant.

- 6.5.11. In case of disagreement with the Internal Ombudsman's decision, the Bank will obtain the approval of the Executive Director In-charge of customer service and send the reply to the complainant explicitly stating the fact that the complaint was examined by the Internal Ombudsman and the decision of the regulated entity was overruled by the Internal Ombudsman in favour of the complainant; however, the bank, with the approval of the Competent Authority, has disagreed with the decision of the Internal Ombudsman. All such cases would be put up for review to the Customer Service Committee of the Board.
- 6.5.12. The Internal Ombudsman shall, on a quarterly basis, analyse the pattern of all complaints received against the bank, and may provide inputs to the bank for policy intervention, if so warranted.
- 6.5.13. The Bank will conduct an internal audit for the implementation of Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023 on a yearly basis. The scope of the internal audit shall exclude any assessment of the correctness of decisions taken by Internal Ombudsman.

6.6. Reserve Bank of India Ombudsman (RBIO):

- 6.6.1. It will be made known to the customer that if he / she had not received any reply within 30 days after lodging the complaint with the Bank or is not satisfied with the resolution provided by the Bank, then he / she may approach the RBIO for resolution, within one year after the complainant has received the reply from the Bank or, where no reply is received, within one year and 30 days from the date of the complaint. Any customer aggrieved by an act or omission of the Bank resulting in deficiency in service may file a complaint personally or through an authorised representative as defined under clause 3(1)(c) of the Reserve Bank Integrated Ombudsman Scheme, 2021. List of Ombudsman Offices with contact details will be notified in bank's website as well as in the branches in line with the Reserve Bank Integrated Ombudsman Scheme, 2021. Bank will appoint a Principal Nodal Officer (PNO) at its Head Office as per clause number 18(2) of the Reserve Bank Integrated Ombudsman Scheme, 2021. The Principal Nodal Officer shall be responsible for representing the Bank and furnishing information on behalf of the Bank in respect of complaints filed against the Bank. Details of the Principal Nodal Officer as well as the list of nodal officers to the various offices of the RBIO will also be published in bank's website.
- 6.6.2. The designated Nodal Officers shall assist the Principal Nodal Officer of the Bank in liaising with the offices of the RBIO.
- 6.6.3. The Nodal Officers, on behalf of the Principal Nodal Officer, will be responsible receiving the complaints referred from the Offices of the RBIOs, investigating and taking corrective actions for resolution of the complaints and submitting the reply to RBIOs well within the time lines allowed by RBIO. They will be prompt in submitting any information called for by the RBIO. The respective Nodal Officers shall register all such complaints in the

complaint management application of the Bank and shall also maintain records for future reporting / reference.

6.6.4. The Nodal Officer shall attend, without fail, all proceedings before the RBIO (e.g. conciliation meetings) and shall be well prepared, with all the facts and figures, to be able to give a clear and accurate account of the matter under discussion from the bank's point of view.

6.6.5. The Nodal Officers will act under the guidance of the Customer Service Department.

6.6.6. All departments / verticals in the bank (e.g. business, legal, etc.) will provide all necessary support to the Nodal Officers for timely and satisfactory resolution of all complaints referred from RBIO Offices.

6.6.7. The Nodal Officers, on behalf of the Principal Nodal Officer, will also be responsible for resolution of the complaints referred from Customer Education & Protection Department of RBI.

7. Complaints/suggestions box

7.1. Each banking outlet should have a Complaints/suggestions box installed, which should be cleared on a daily basis. All complaints received through Complaints/suggestions box will be mandatorily lodged in the Bank's Complaint Management Application for resolution.

8. Complaint Book

8.1. All banking outlets should lodge complaints in the Bank's complaint management application and provide an acknowledgement to the customers. The Cluster Office will maintain oversight on these complaints. All complaints received therein will be lodged in the Bank's Complaint Management Application for resolution.

9. Complaint Register

9.1. All banking outlets should maintain a separate complaint register in the prescribed format given for entering all the complaints/grievances received by them directly or through their Head Office/Govt. These registers should be maintained irrespective of the fact whether a complaint is received or not in the past. The complaints registers maintained by branches should be scrutinized by the concerned Cluster Head during his periodical visit to the branches and his observations/comments recorded in the relative visit reports. All complaints received therein will be mandatorily lodged in the Bank's Complaint Management Application for resolution.

10. Display of the Grievance Redressal Mechanism

- 10.1. At each banking outlet a notice explaining the Grievance Redressal Mechanism of the bank shall be prominently displayed. A format of the display is annexed hereto. Further, information relating to grievance redressal mechanism will be posted on the website of the Bank.

11. Monitoring System

- 11.1. As per directives of the Master Circular on Customer Service, the Bank will constitute three Committees for effective monitoring of customer service including grievance redressal:
- i. **Branch Level Customer Service Committee** – A monthly meeting will be held with customers at all branches. A senior citizen must be mandatorily invited to the meeting.
 - ii. **Standing Committee on Customer Service** – This Committee will comprise of senior bank officials along with customer representatives and will meet quarterly to review compliance with regulatory guidelines regarding customer service in banks and major/frequent areas of complaints.
 - iii. **Customer Service Committee of the Board** – This Committee will meet quarterly to review the effectiveness of customer service and grievance redressal mechanism of the Bank and to oversee working of the Standing Committee.

12. Reporting System

- 12.1. A consolidated report, providing insight into the volume and nature of complaints, received by the Bank as a whole and major/frequent areas of complaints warranting process review / procedural change, will be placed before the Bank's Customer Service Committee of the Board as an agenda item in each of the meetings conducted.
- 12.2. Experts and representatives of customers shall be invited to the meetings of the Customer Service Committee of the Board (CSCB). The selection of the customer's representative would be done from a cross-section of customers from asset and liabilities.
- 12.3. A half-yearly memorandum containing a review of customer service aspects shall be submitted to the Board as per extant regulatory instructions.
- 12.4. Statement of complaints and unimplemented awards of the Reserve Bank of India Ombudsman will be disclosed by the Bank along with financial results.
- 12.5. Where the complaints are redressed within the next working day, bank need not include the same in the statement of complaints.

12.6. All Turnaround times for resolution are calculated in days.

12.7. For turnaround times and compensation of failed transactions using authorised Payment Systems, Bank is governed by RBI's circular on Harmonisation of Turn Around Time.

13. Grievances related to Government Agency business

The grievance redressal process related to Government agency business, Central Civil Pension, and other Government business services is governed by the Bank's existing Grievance Redressal Policy.

14. Grievances related to Atal Pension Yojana and NPS-Lite

The grievance redressal process pertaining to Atal Pension Yojana (APY) and NPS-Lite is aligned with the Bank's existing Grievance Redressal Policy. In case the customer's issue remains unresolved after escalation through Level 1 / Level 2 / Level 3, or if the Bank fails to provide a resolution within 30 days, the customer may escalate the matter to the Pension Fund Regulatory and Development Authority (PFRDA) Ombudsman.

Details of the Ombudsman's office, including contact information:

The Ombudsman, The office of Ombudsman,
Pension Fund Regulatory and Development Authority,
Tower E, 5th Floor, E-500, World Trade Centre,
Nauroji Nagar, New Delhi – 110029
Phone No. 011-4071 7900
Email id: ombudsman@pfrda.org.in

Annexure: Format of Grievance Redressal Mechanism display



Document in GR
Policy.docx

B. CUSTOMER COMPENSATION POLICY

Introduction:

Bank shall exercise adequate care in providing desired level of service to its customers. However, Bank has devised the Customer Compensation Policy in case of any deficiency of service. The policy aims to provide a framework to compensate the customer for any financial loss as well as for the harassment/mental anguish suffered by him/her due to deficiency of service on the part of the Bank.

Objective:

The objective of this policy is to establish a system whereby the bank compensates the customer for any financial loss he/she might incur due to deficiency in service on the part of the bank or any act of omission or commission directly attributable to the Bank or on account of loss of time, expenses or for the harassment and mental anguish suffered by him/her for the fault of the card issuer and where the grievance has not been redressed in time. By ensuring that the customer is compensated, the Bank expects a significantly low number of instances when the customer has to approach Reserve Bank Ombudsman or any other forum for redress.

Scope:

- i. This Compensation Policy of the Bank is designed to cover all the incidences where the Bank is liable to make good any financial loss suffered by the customer including instances related to unauthorized debiting of account, payment of interest to customers for delayed collection of cheques/instruments, payment of cheques after acknowledgement of stop payment instructions, remittances within India, lending, etc. The policy is based on principles of transparency and fairness in the treatment of customers.
- ii. It is reiterated that the Policy covers only compensation for financial losses and the harassment/mental anguish, loss of time and expenses, which customers might incur/experience due to deficiency in the services offered by the bank which can be measured directly and as such the commitments under this policy are without prejudice to any right the Bank shall have in defending its position before any forum duly constituted to adjudicate banker-customer disputes.

I. Unauthorized / Erroneous Debit:

- 1. If there is an unauthorized/erroneous direct debit to an account, the entry shall be reversed at the earliest on being informed of the erroneous debit, after verifying the position and obtaining due approval of the competent authority. In the event of the unauthorized/ erroneous debit resulting in a financial loss to the customer by way of reduction in the minimum balance

applicable for payment of interest on Savings bank deposit or payment of additional interest to the Bank in a loan account, the Bank shall compensate the customer for such loss.

2. If the customer has suffered any financial loss incidental to return of a cheque or failure of direct debit instructions due to insufficiency of balance on account of the unauthorized/ erroneous debit, the Bank shall compensate the customer to the extent of such financial losses.
3. The Bank shall compensate the financial loss, supported with documentary evidence, to the extent of actual amount that the customer might incur due to deficiency in service on the part of the bank or any act of omission or commission directly attributable to the bank or its employees. A few instances of such cases of unauthorized debits and/ or erroneous debit or credit entries and their possible impacts on the interest of the customers are enumerated below:
 - 3.1 Due to erroneous debit in savings account, payment of telephone/ electricity bill, school fees, etc. may get delayed and payment after due date may result in deprivation of rebate/ discount/ commission and/ or imposition of fine/ penalty etc. In such cases, the Bank shall compensate the actual amount of rebate/ discount/ commission/fines/penalty etc., as the case may be.
 - 3.2 Due to wrong debit in a Savings account the balance in the same may be less by that sum for the purpose of calculation of interest. To compensate the loss, the amount wrongly debited shall be credited with value-dated effect.
 - 3.3 Consequent upon unauthorized/ erroneous debit, due to fall in minimum balance in the account resulting in levying of service charges, if any, shall be refunded to the customer.
 - 3.4 Where amount deposited towards repayment/ instalments in a loan account is not credited, additional interest is accrued on account of that amount. In such cases, the amount of excess interest so charged shall be refunded in the loan account as compensation.
 - 3.5 In case of a running borrowal account, if an amount deposited by the customer is not credited in that account by mistake of the Bank, additional interest pertaining to that amount accrues in the account. On detection of such error, the amount shall be immediately credited in the account with value dated effect.
 - 3.6 In case of borrowal accounts, the cheque deposited by the customer for collection through local clearing if not sent by the branch for reason whatsoever, additional interest accrued in the account arising out of non-credit of the amount of the cheque shall be compensated by crediting the amount with value dated effect.

3.7 The compensation shall be paid in accordance with the "Customer Protection Policy - Limiting Liability of Customers in Unauthorized Electronic Banking Transactions", depending on limited, zero or overall liability of the customer and the Bank.

II. Time limit for verification of the entry reported to be erroneous by the customer

In case of verification of the entry reported to be erroneous by the customer does not involve a third party, the Bank shall arrange to complete the process of verification within 7 days from the date of reporting of erroneous debit. In case, the verification involves a third party, the Bank shall complete the verification process within a maximum time period of 30 days from the date of reporting of erroneous transaction by the customer to be defined by circular instructions from time to time.

III. Erroneous Debits arising on account of fraudulent or other transactions

1. In case of any fraud, if the Bank is convinced that an irregularity / fraud has been committed by its employees towards any customer, the Bank shall at once acknowledge its liability and pay the just claim. However, such claims for restitution shall be disposed of as per the powers delegated to authorities at various levels by the Bank via circularized instructions from time to time.
2. In cases where the Bank is at fault, the customer shall be compensated without demur in accordance with this policy.

IV. ECS/direct debits/other debits to accounts

Bank, in the event of failure to meet the ECS/ direct debit instructions of the Customer in time, shall compensate to the extent of any financial loss that the customer would incur on account of delay in carrying out the instruction/failure to carry out the instructions. The Bank shall refund the amount of service charges debited in the customer's account in excess/ in violation of schedule of service charges when pointed out by the customer after proper scrutiny. The Bank shall also compensate the consequential financial loss, if any, to the customer for debit of excess service charges after proper verification/ scrutiny of agreed terms and conditions.

V. Payment of Cheques after Stop Payment Instructions

In case a cheque has been paid after stop payment instruction is acknowledged by the Bank, the amount of the cheque shall be credited by the Bank along with value-dated effect within 14 days from the date of the customer intimating the transaction to the Bank. The Bank shall compensate

the financial loss, to the extent of actual amount that the customer might incur, after ascertaining and being satisfied about the amount of such loss.

VI. Foreign Exchange Services:

1. The Bank may not compensate the customer for delays in collection of cheques designated in foreign currencies sent to foreign countries as the Bank may not be able to ensure prompt credit from overseas banks. Time for collection of instruments drawn on banks in foreign countries differ from country to country and even within a country, from place to place. The time norms for return of instruments cleared provisionally also vary from country to country.
2. Compensation will be paid in case of delay in crediting customer's account while availing forex services (inward remittances & Export collection etc.) as under:
"In case of delay beyond the day when the amount is due for credit, the customer will be compensated (i) for any loss on account of interest @ 2% over the minimum savings bank interest rate of the bank for due period beyond the due date and (ii) also for adverse movement of forex rate, calculated based on the difference between the TT buying rate applicable on actual date of credit and due for credit date."

VII. Remittances in India:

1. Payment of Interest for delayed Collection of Outstation Cheques:
 - 1.1 The Bank shall pay interest at the prevailing savings bank deposit rate (rate applicable for Saving deposit of below 1 Lac) to the customer on the amount of collection instruments in case there is delay in giving credit beyond the time period mentioned hereinafter. Such interest shall be paid without any demand from customers in all types of accounts. There shall be no distinction between instruments drawn on the Bank's own branches or on other banks for the purpose of payment of interest on delayed collection.
 - 1.2 In the event the proceeds of cheque under collection are credited to an overdraft/loan account of the customer, interest shall be paid at the rate applicable to the respective loan account. For extraordinary delay, interest shall be paid at the rate of 2% above the rate applicable to the respective loan account. Payment of interest as stated above shall be applicable only for instruments sent for collection within India.
2. Compensation for financial loss suffered by the customers due to loss of instrument after it has been handed over to the bank for collection:
 - 2.1. In case a cheque or an instrument accepted for collection is lost in transit or in the clearing process or at the paying bank's branch, the Bank shall immediately on coming to know

about the loss, bring the same to the notice of the account holder so that the account holder can inform the drawer to record stop payment and can also ensure that other cheques issued by him / her are not dishonored due to non-credit of the amount of the lost cheque/instruments. The Bank shall provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque.

3. Issue of Duplicate Draft and Compensation for delays:

3.1. Duplicate draft shall be issued on request within a fortnight from the date of receipt of such request from the purchaser thereof. For delay beyond the above stipulated period, interest at the rate applicable for Fixed Deposit of Corresponding period shall be paid as compensation to the customer for such delay.

4. Transaction of “at par instruments” of Co-operative Banks by Commercial Banks:

4.1. In case of arrangement for payment of “at par” instruments of co-operative banks, the Bank shall not honour cheques drawn on current accounts maintained by other banks with it unless arrangements are made for funding cheques issued. Issuing bank shall be responsible to compensate the cheque holder for non-payment/delayed payment of cheques in the absence of adequate funding arrangement.

VIII. Violation of the Code by Bank’s employees and agents:

In the event of receipt of any complaint from the customer that the Bank’s employee / representative / courier has engaged in any improper conduct or acted in violation of the Code of Bank’s commitment to Customers, the Bank shall compensate to the customer, on merit of the individual cases, the financial losses for the act of such employee / representative / courier after proper investigation.

IX. Lenders’ Liability:

Commitments to Borrowers: The Bank shall adopt the principles of lenders of liability. In terms of the guidelines for lenders liability and the Code of Bank’s Commitment to customers, the Bank shall return to the borrowers all the securities / documents / title deeds to mortgaged property within 15 working days of repayment of all dues agreed to or contracted. The Bank shall compensate the borrower for monetary loss suffered, if any, due to delay in return of the same, at the rate of Rs. 100 per week, subject to maximum Rs. 1000.00 (Rupees One thousand only)

X. ATM Failure:

The Bank shall refund the customer the amount wrongfully debited on account of failed ATM transactions within a maximum period specified by RBI from time to time from the day of transaction. For any failure to re-credit the customer's account within that time period, the Bank shall pay compensation to the aggrieved customer as mandated by RBI from time to time. Such compensation shall be paid by the Bank, suo moto, without waiting for a complaint or claim from the customer. As per RBI Circular on Harmonization of Turn Around Time (TAT) and customer compensation for failed transactions using authorised Payment Systems, dated September 20, 2019, the specified period is mentioned as five days from date of transaction. Therefore, the Bank shall pay compensation of Rs.100/- per day of delay beyond T + 5 calendar days suo moto, without waiting for a complaint or claim from the customer.

Further, in line with the aforesaid circular, compensation for delay will include failed POS transactions, Card Not Present (CNP) (e-commerce) transactions and other electronic/digital transactions such as IMPS, UPI, NACH, AEPS, APBS, etc as mentioned below:

Compensation Rules by Transaction Type

Transaction Type	TAT (Auto-Reversal)	Compensation if Delayed
PoS (Point-of-Sale) (card present)	Within T + 5 days	₹100/day after that
Card-Not-Present (e-commerce)	Within T + 5 days	₹100/day after that
IMPS transactions	Within T + 1 day	₹100/day after that
UPI transfers (to account)	Within T + 1 day	₹100/day after that
UPI payments (to merchants)	Within T + 5 days	₹100/day after that
Aadhaar-enabled payments (Aadhaar Pay)	Within T + 5 days	₹100/day after that
Aadhaar Payment Bridge System (APBS)	Within T + 1 day	₹100/day after that
NACH (electronic bulk payments)	Within T + 1 day	₹100/day after that
Mandate revoked but debit occurs	Within T + 1 day	₹100/day after that

XI. Compensation to customers for delayed updating/rectification of credit information

Complainant is entitled to a compensation of Rs. 100 per calendar day in case the complaint is not resolved within 30 calendar days from the date of initial filing of the complaint with a Credit Institution (CI) or Credit Information Companies (CICs). The Bank shall pay compensation if the Bank

fails to send updated credit information to the CICs by making an appropriate correction or addition or otherwise within 21 calendar days of being informed by the complainant or CIC.

XII. Debit/Credit Card:

In case a Debit or Credit card is issued to a customer, the Bank shall be liable to compensate the complainant for the loss of his/her time, expenses, financial loss as well as for the harassment and mental anguish suffered by him/her for the fault of the card-issuer and where the grievance has not been redressed in time.

XIII. Delay in release of Securities / Documents / Title deeds (loss of securities/ title deeds) on repayment of loan

In case of delay in releasing original title document or charge satisfaction beyond 30 Days after full repayment /settlement of loan, the Bank will inform the borrower of the reason for delay. In case the delay is attributable to the bank, bank shall Pay ₹5,000 per day as compensation for each day beyond the stipulated period. In case documents are lost or damaged (partially or fully), the bank will assist the borrower in obtaining duplicate or certified copies at Bank's cost and can take an additional 30 days to complete this process. After this total period of 60 days, compensation at ₹5,000/day will be payable.

XIV. Other areas of deficiencies in services:

1. Where loan has been allowed against Bank's own Fixed Deposit Receipt and the branch, after maturity of the FD do not adjust the loan account thereby interest is charged on the loan outstanding, excess interest charged thereof in the loan account shall be refunded to the customer.
2. Where the Bank after adjustment of the loan account do not remit/credit the remaining amount of FD to the customer's account but keeps balance in sundry creditor's account, the Bank shall compensate to the customer the interest as payable for the amount kept in the sundry creditor's account at savings bank interest rate, if and only if the customer has not been duly informed.
3. However, adoption of the compensation policy shall not absolve accountability of the concerned employee responsible for the lapses/ deficiencies leading to financial loss to the Bank.
4. While considering the compensation on account of the above items, bank will ensure that under no circumstances the compensation amount to be paid out to a specific customer does not exceed the actual amount of nominal financial loss subject to relevant RBI guidelines and

awards/directions given by any court of law / statutory bodies. However, the actual compensation may be decided on case to case basis by the competent authority.

XV. Applications Supported by Block Amount (ASBA)

1. Introduction:

The Securities and Exchange Board of India ('SEBI'), through its circular SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, had advocated the need to have a uniform policy for calculation of minimum compensation payable to Retail Individual Investors ('RIIs') in an IPO in scenarios mentioned in Para 17.2 a), b) and c) below. While doing so, the following factors have been taken into account:

- a) the opportunity loss suffered by the investor due to non-allotment of shares;
- b) the number of times the issue was oversubscribed in the relevant category;
- c) the probability of allotment; and
- d) the listing gains if any on the day of listing.

2. The Compensation Policy for ASBA envisages to consider instances wherein applicants (RIIs) in an Initial Public Offering (IPO) have failed to get allotment of specified securities and in the process may have suffered an opportunity loss due to the following factors:

- i. Failure on part of the bank to make bids in the concerned Exchange system even after the amount has been blocked in the investors' bank account with the bank.
- ii. Failure on part of the bank to process the ASBA applications even when they have been submitted within time.
- iii. Any other failures on part of the bank which have resulted in the rejection of the application form.

Further, after stabilisation of ASBA through UPI channel, SEBI has issued a circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, for redressal of investor grievances for ASBA through UPI. The Compensation Policy also covers the areas pertaining to Block/Unblock of funds of ASBA (IPO) applications submitted via using UPI platform and wherein investor may have suffered an opportunity loss due to the following factors:

- a) Failure to unblock funds for cancelled/withdrawn/deleted cases in the Stock Exchanges platform.
- b) Failure to unblock the funds in cases of partial allotment by the next working day from the finalization of basis of allotment (BOA).
- c) Failure to unblock the funds in cases of non-allotment by BOA+1.

- d) SCSB (Self Certified Syndicate Banks) blocking multiple amounts for the same UPI application.
- e) SCSB blocking more amounts in the investors account than the application amount.
- f) Delay in receipt of mandate by investors for blocking of funds due to systemic issues at Intermediaries/SCSBs.

3. Objective:

The objective of the Policy is to establish a process through which the applicant (RII) is compensated for the opportunity loss suffered due to deficiency in service or an act of omission or commission directly attributable to the Bank.

4. Coverage of compensation:

The Policy covers only compensation for opportunity losses which customer might incur due to deficiency in the services offered by the bank which can be measured directly and as such the commitments under the Policy are without prejudice to any right the bank will have in defending its position before any forum duly constituted to adjudicate banker-customer disputes.

5. Level of compensation:

Compensation to Retail Individual Investors (RIIs) in an Initial Public Offer (IPO):

- a) The formula for calculation of minimum fair compensation on the basis of SEBI guidelines shall be as follows:

$$\text{Compensation} = (\text{Listing price}^* - \text{Issue Price}) \times \left(\text{No. of shares that would have been allotted if bid was successful} \right) \times \left(\text{Probability of allotment of shares determined on the basis of allotment} \right)$$

In case, during processing of the ASBA application form, the bid is placed for lesser quantity than that the application form, the formula for calculation of minimum fair compensation will be

$$\text{Compensation} = (\text{Listing price}^* - \text{Issue Price}) \times \left(\text{No. of shares that would have been allotted if bid was successful} - \text{Number of shares} \right) \times \left(\text{Probability of allotment of shares determined on the basis of allotment} \right)$$

allotted

**Listing price shall be taken as the highest of the opening prices on the day of listing across the recognized stock Exchanges.*

- b) In case of issues which are subscribed between 90-100%, i.e. non-oversubscribed issues, the applicants would be compensated for all the shares which they would have been allotted.
- c) The Bank shall refer to the allotment ratio, provided by the RTAs, for the purpose of arriving at the compensation.
- d) Compensation, proposed to be paid in line with the prescribed guidelines, shall be approved as per the existing delegation of powers (DOP) of the Bank.
- e) No compensation would be payable to the applicant in case the listing price is below the issue price.
- f) Any applicant whose application has not been considered for allotment, due to failure on the part of the Bank, shall have the option to seek redressal of the same within three months of the listing date.
- g) On receipt of such application / complaint, the Bank shall resolve the same within 15 days, failing which it will pay interest at the rate of 15% per annum for any delay beyond the said period of 15 days.

XVI. Force Majeure:

The Bank shall not be liable to compensate customers for delayed credit if some unforeseen event including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fires, natural disasters or other “Acts of God”, war, damage to the Bank’s facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc. beyond the control of the Bank prevents it from performing its obligations within the specified service delivery parameters.

C. CUSTOMER PRIVACY POLICY

1. Statements of Practices and Policies

1.1. The Bank recognizes that one of its fundamental responsibilities is to ensure that the Bank protects personal information entrusted to the Bank by its customers. This is critical for the maintenance of the Bank's reputation and for complying with its legal and regulatory obligations to protect the Banks's customer information. The Bank also follows a transparent policy to handle personal information of its customers.

1.2. In this Policy, personal information means any information that relates to a natural person, which either directly or indirectly, in combination with other information available or likely to be available with the Bank, is capable of identifying such person.

1.3. The Policy is in compliance with the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules 2011 (the "IT Rules") contained in the Information Technology Act 2000.

2. Applicability

2.1. This Policy is applicable to personal information collected by the Bank directly from the customer or through the Bank's online portals, electronic communications as also any information collected by the Bank's server from the customer's browser.

3. Accuracy

3.1. The Bank shall have processes in place to ensure that the personal information residing with it is complete, accurate and current. If at any point of time, there is a reason to believe that personal information residing with the Bank is incorrect, the customer may inform the Bank in this regard. The Bank shall correct the erroneous information as quickly as possible.

4. Purpose of collection and Usage of Personal Information

The Bank shall use the information collected to manage its business and offer an enhanced, personalized online experience on its website. Further, it shall enable the Bank to:

4.1. Process applications, requests and transactions

4.2. Maintain internal records as per regulatory guidelines

- 4.3. Provide services to customers, including responding to customer requests
- 4.4. Comply with all applicable laws and regulations
- 4.5. Recognize the customer when he conducts online banking
- 4.6. Understand the needs and provide relevant product and service offers
- 4.7. If a customer does not wish to provide consent for usage of its sensitive personal data or information or later withdraws the consent, the Bank shall have the right not to provide services or to withdraw the services for which the information was sought from the customer.

5. Disclosure / Sharing of Information

- 5.1. The Bank shall not disclose personal information of its customers without their prior consent unless such disclosure has been agreed to in a contract between the body corporate and customer, or where the disclosure is necessary for compliance of a legal obligation. In-case Bank discloses the personal information to Third Parties; such Third Parties shall be bound contractually to ensure that they protect customer personal information in accordance with applicable laws.
- 5.2. The above obligations relating to sharing of personal data or information shall not apply to information shared with government mandated under the law to obtain such information or by an order under law for the time being in force. Further, if any personal data or information is freely available or accessible in the public domain, the Bank shall not have any obligations regarding the same.
- 5.3. No specific information about customer accounts or other personally identifiable data shall be shared with non-affiliated third parties unless any of the following conditions is met:
 - 5.3.1. To help complete a transaction initiated by the customer
 - 5.3.2. To perform support services through an outsourced entity provided it conforms to the Privacy Policy of the Bank
 - 5.3.3. The customer / applicant has specifically authorized it
 - 5.3.4. Conform to legal requirements or comply with legal process
 - 5.3.5. The information is shared with Government agencies mandated under law
 - 5.3.6. The information is shared with any third party by an order under the law
 - 5.3.7. Protect and defend Banks' rights, interests or property
 - 5.3.8. Enforce the terms and conditions of the products or services
 - 5.3.9. Act to protect the interests of Bank, or its members, constituents or of other person

6. Security Practices

6.1. The security of personal information is a priority and shall be ensured by maintaining physical, electronic, and procedural safeguards that meet applicable laws to protect customer information against loss, misuse, damage and unauthorized access, modifications or disclosures. Employees shall be trained in the proper handling of personal information. When other companies are used to provide services on behalf of the Bank, it shall ensure that such companies protect the confidentiality of personal information they receive in the same manner the Bank protects. The Bank shall continuously review and enhance its security policies and security measures to consistently maintain a high level of security.

7. Amendments

7.1. The Bank shall reserve the right to change or update this Policy or practice, at any time with reasonable notice to customers on Bank's website so that customers are always aware of the information which is collected, for what purpose Bank uses it, and under what circumstances, if any, Bank may disclose it.

8. By virtue of this privacy policy, the customer assents to collection, use, transfer, disclosure, retention and other processing of her/his personal information, including sensitive personal information, as described in this Policy.

9. Response to Enquiries and Complaints

9.1. The Bank shall encourage customer enquiries, feedback and complaints which shall help it identify and improve the services provided to the customers.

D. CUSTOMER EDUCATION POLICY

1. Introduction

- 1.1. With the penetration of banking services across length and breadth of the country, the customer's experience of banking is no longer fully under the control of the bank. With fraudsters, including cyber-criminals, constantly creating more diverse and complex fraudulent modus operandi using advanced technology and social engineering techniques to access their victims' accounts, spreading awareness among consumers becomes imperative. Continual education and timely information provided to customers shall help them to understand security requirements and take appropriate steps in reporting security problems.
- 1.2. To generate a standard understanding of the evolving fraud scenarios, the bank intends to run awareness programs targeting the larger customer base. The Bank shall also run awareness programs for various other stakeholders, including bank employees, who can then act as resource persons for addressing customer queries, law enforcement personnel for an effective response to customer complaints and media for dissemination of accurate and timely information. Any interface with the media shall be directly handled at the Head Office.

2. Scope

The scope of this Customer Education Policy shall cover the following aspects:

- 2.1. Framework to evaluate the effectiveness of an awareness program
- 2.2. Customer communication framework
- 2.3. Planning, organizing and implementing a fraud awareness raising initiative
- 2.4. Addressing potential risks associated with awareness initiatives
- 2.5. Development of a safe and secure culture by encouraging users to act responsibly and operate more securely

3. Roles/Responsibilities and organizational structure

- 3.1. The Bank shall identify and involve key stakeholders in decision-making, planning, implementation and evaluation in order to get desired support for the awareness program.

4. Board of Directors/Senior Management

- 4.1. The Board of Directors/Senior Management shall be committed towards the process of consumer education initiatives by providing adequate resources, evaluating the effectiveness of the process and fine-tuning and improving customer education measures on an ongoing basis.

5. Customer education strategy

5.1. Defining 'Awareness'

5.1.1. The Bank shall consider security awareness as the basic component of its education strategy towards bringing about the desired change in the attitude, behaviour and practice of its target audience (e.g. customers, general public, employees etc.).

5.1.2. Awareness activities shall be done on an ongoing basis, using a variety of delivery methods which shall focus on security aspects.

6. Objectives of the awareness program

The Bank shall set up awareness programs to:

- 6.1. Provide a focal point and a driving force for a range of awareness, training and educational activities
- 6.2. Provide general and specific information about fraud risk trends, types or controls to people who need to know
- 6.3. Help consumers identify areas vulnerable to fraud attempts and make them aware of their responsibilities in relation to fraud prevention
- 6.4. Motivate individuals to adopt recommended guidelines or practices
- 6.5. Create a stronger culture of security with better understanding and commitment
- 6.6. Help minimize the number and extent of incidents, thus reducing costs directly (fraud losses) and indirectly (for example, reduced need to investigate)

7. Stakeholder support

- 7.1. The Bank shall build consensus amongst decision makers and stakeholders for financial and administrative support for the awareness program. In this respect, the Bank shall identify both



fixed and variable costs which shall include personnel, operation costs, awareness material, advertisements and promotions and maintenance of its website.

E. CUSTOMER PROTECTION POLICY - LIMITING LIABILITY OF CUSTOMERS IN UNAUTHORISED ELECTRONIC BANKING TRANSACTION

1. Introduction

Bandhan Bank is committed to provide world class banking experience to all its customers through superior systems and technology.

With the increased thrust on financial inclusion and customer protection and considering the recent surge in customer grievances relating to un-authorized electronic transactions causing debits to customer accounts/ cards, various aspects of customer protection and criteria for determining the customer liability have been reviewed by RBI and directions issued in this regard vide their circular bearing reference: DBR.No.Leg.BC.78/09.07.005/2017-18 dated 6th July 2017.

In line with the regulatory directives this policy has been formulated to cover the following aspects:

- a) Customers' liability in cases of unauthorized electronic banking transactions.
- b) Mechanism of compensating the customers for unauthorized transaction due to unauthorized electronic banking transactions and the timelines for effecting such compensation.
- c) Customer protection including the mechanism of creating customer awareness on the risks and responsibilities involved in electronic banking transactions.

2. Types of electronic banking transactions

Electronic banking transactions can be broadly divided into two categories:

- (i) Remote/ online payment transactions (transactions that do not require physical payment instruments to be presented at the point of transactions e.g. internet banking, mobile banking, card not present (CNP) transactions), Pre- paid Payment Instruments (PPI), and
- (ii) Face-to-face/ proximity payment transactions (transactions which require the physical payment instrument such as a card or mobile phone to be present at the point of transaction e.g. ATM, POS, etc.)

3. Bank's commitment to ensuring customer protection

The Bank is committed to ensuring safety and security of electronic banking transactions carried out by customers. The Bank will put in place the following:

- (i) appropriate systems and procedures to ensure safe and secure of electronic banking transactions
- (ii) robust and dynamic fraud detection and prevention mechanism;

- (iii) mechanism to assess the risks (for example, gaps in the bank's existing systems) resulting from unauthorized transactions and measure the liabilities arising out of such events;
- (iv) appropriate measures to mitigate the risks;
- (v) a system of continually and repeatedly advising customers on how to protect themselves from electronic banking and payments related fraud.

4. Reporting of unauthorised transactions by customers to Bank

The Bank will ensure that customers are mandatorily registered for SMS alerts and wherever available for email alerts, for electronic banking transactions. Bank will mandatorily send SMS alerts to the customers, while the email alerts may be sent wherever registered. Further, the bank will not be able to offer facility of electronic transactions, other than ATM cash withdrawals, to customers who do not provide mobile numbers to the bank. These facilities will be withdrawn for customers after due notice is provided to them.

The Bank requires customers to notify the Bank about any unauthorised electronic banking transaction at the earliest after the occurrence of such transaction as longer the time taken to notify the bank, the higher will be the risk of loss to the bank/customer. To enable this to be done in a smooth and efficient manner, the Bank will provide customers with 24x7 access through multiple channels (via website, SMS, e-mail, a dedicated tollfree helpline, reporting to home branch, etc.) for reporting unauthorised transactions that have taken place and/ or loss or theft of payment instrument such as card, etc.

Further, the Bank will provide a direct link for lodging the complaints, with specific option to report unauthorised electronic transactions in the home page of the Bank's website. Immediate response (including auto response) will be sent to the customers acknowledging the complaint along with the registered complaint number. The communication systems used by the Bank to send alerts and receive their responses thereto will record the time and date of delivery of the message and receipt of customer's response, if any, to the Bank.

On receipt of report of an unauthorised transaction from the customer, the Bank will take immediate steps to prevent further unauthorised transactions in the account. On being notified by the customer, the Bank will undertake a preliminary investigation to establish the reason for the dispute. Where the transaction does not involve a third party, the Bank will endeavor to complete the investigation within 10 working days of notification.

5. Liability of a Customer

a) Zero Liability of a Customer

A customer's entitlement to zero liability shall arise where the unauthorised transaction occurs in the following events:

- (i) Contributory fraud/ negligence/ deficiency on the part of the bank (irrespective of whether or not the transaction is reported by the customer).
- (ii) Third party breach where the deficiency lies neither with the bank nor with the customer but lies elsewhere in the system, and the customer notifies the bank within **three working days** of receiving the communication from the bank regarding the unauthorised transaction.

b) Limited Liability of a Customer

A customer shall be liable for the loss occurring due to unauthorised transactions in the following cases:

- (i) In cases where the loss is due to negligence by a customer, the customer will bear the entire loss until he reports the unauthorised transaction to the bank. Transactions where a Password / PIN / OTP (One Time Password) has been used or where the transaction has been performed with information available only with the customer or can be done only with the knowledge of the customer will be treated as 'transaction performed due to customer negligence'. Any loss occurring after the reporting of the unauthorised transaction will be borne by the bank.
- (ii) In cases where the responsibility for the unauthorised electronic banking transaction lies neither with the bank nor with the customer, but lies elsewhere in the system and when there is a delay (of **four to seven working days** after receiving the communication from the bank) on the part of the customer in notifying the bank of such a transaction, the per transaction liability of the customer shall be limited to the transaction value or the amount mentioned in Table 1, whichever is lower.

Table 1
Maximum Liability of a Customer under paragraph 2.b.(ii)

Type of Account	Maximum Liability (Rs)
• BSBD Accounts	5,000.00
• All other SB accounts • Pre-paid Payment Instruments and Gift Cards • Current/ Cash Credit/ Overdraft Accounts of MSMEs • Current Accounts/ Cash Credit/ Overdraft Accounts of Individuals with annual average balance (during 365 days preceding the incidence of fraud)/ limit up to up to Rs.25 lakh • Credit cards with limit up to Rs.5 lakh	10,000.00
• All other Current/Cash Credit/ Overdraft Accounts • Credit cards with limit above Rs.5 lakh	25,000.00

(iii) If the delay in reporting by the customer is beyond seven working days, the customer shall be liable for the entire value of the transaction(s) involved.

The number of working days will be counted as per the working schedule of the home branch of the customer excluding the date of receiving the communication.

The summary of the customer's liability is provided in Table 2 for ease of reference.

Table 2
Summary of Customer's liability

Time taken to report the fraudulent Customer's liability Transaction from the date of receiving the communication	Rs.
Within 3 working days	Zero liability
Within 4 to 7 working days	The transaction value or the amount mentioned in Table 1 of the Policy whichever is lower
Beyond 7 working days	Full liability of the customer i.e. to the extent of value of the transaction(s)

6. Communication of the policy

The Bank will provide the details of policy with regard to customers' liability at the time of opening the accounts. The Bank will display the approved policy in bank's website. The existing customers would also be informed about the Bank's policy through publication on the website and where possible, through SMS and email alerts.

7. Reversal Timeline for Zero Liability/ Limited Liability of customer

On being notified by the customer, the Bank will credit the amount involved in the unauthorized electronic transaction to the customer's account within 10 working days from the date of such notification by the customer (without waiting for settlement of insurance claim, if any). The credit will be value dated to be as of the date of the unauthorized transaction. The credit will be provided as a shadow credit, which means that the customer will not be able to use the funds credited by way of temporary/shadow credit till the dispute is resolved in favour of the customer.

Further, the Bank will ensure that:

- i. a complaint is resolved and liability of the customer, if any, established within a period not exceeding 90 days from the date of receipt of the complaint, and the customer is compensated as per provisions of paragraph no 5 above
- ii. where Bank is unable to resolve the complaint, or determine the customer liability, if any, within 90 days, the compensation as prescribed in paragraph no 4 above will be paid to the customer; and
- iii. in case of debit card/ bank account, the customer does not suffer loss of interest.

For all disputed cases, customers shall be required to provide all relevant information and supporting documents as required by the Bank for investigation or Insurance claim. The customer shall also have to fully cooperate and comply with the Bank's reasonable requirement towards investigations and legal actions initiated by it in regards to the disputed transactions.

In case the customer is unable to provide the necessary documents or there is a delay on part of the customer in submitting the documents within the stipulated timeframe, post due follow up by the Bank, the Bank shall term such disputes as unable to conclude and the liability of the unauthorized transactions in such cases will remain with the customer only.

8. Proof of customer liability

The Bank has a process of second factor authentication for electronic transactions, as regulated by the Reserve Bank of India. Bank has onus to prove that all logs / proofs / reports for confirming two factor authentication is available. Any unauthorized electronic banking transaction which has been processed post second factor authentication known only to the customer would be considered as sufficient proof of customer's involvement / consent in effecting the transaction.

9. Force Majeure

The bank shall not be liable to compensate customers for delayed credit if some unforeseen event (including but not limited to civil commotion, sabotage, lockout, strike or other labour disturbances, accident, fires, natural disasters or other "Acts of God", war, damage to the bank's facilities or of its correspondent bank(s), absence of the usual means of communication or all types of transportation, etc. beyond the control of the bank prevents it from performing its obligations within the specified service delivery parameters.

10. Reporting and Monitoring Mechanism

Customer liability cases shall be periodically reviewed in the Customer Service Committee of the Board on a quarterly basis. The reporting shall, *inter alia*, include volume/ number of cases and the aggregate value involved and distribution across various categories of cases viz., card present transactions, card not present transactions, internet banking, mobile banking, ATM transactions, etc.

The Standing Committee on Customer Service shall periodically review the unauthorized electronic banking transactions reported by customers or otherwise, as also the action taken thereon, the functioning of the grievance redress mechanism and take appropriate measures to improve the systems and procedures. All such transactions shall be reviewed by the bank's internal auditors/statutory auditor also.

11. Linkage to other Customer Service Policies of the Bank

This Policy shall be read in conjunction with the Customer Compensation policy and Customer Grievance Redressal policy.

12. Review of policy

The policy has been approved by the Board of the Bank and is reviewed at regular intervals by the Customer Service Committee of the Board.

These reviews shall consider the following:

- Internal factors such as changes in organisational structure or products and services offered

- External factors such as changes in legislation, regulatory guidelines or technological innovation.
- The results of audit, if any conducted during the year by internal / external auditors

ANNEXURE I – Citizens Charter

PREFACE

The ability of the banking industry to achieve the socio-economic objectives and in the process bring more and more customers into its fold will ultimately depend on the satisfaction of the customers. We have a strong belief that a satisfied customer is the foremost factor in developing our business.

In order to become more customer friendly, Bandhan Bank has decided to prepare a charter of its services to its customers. This document shall be known as 'Citizen's Charter'. This document has been made in consultation with the key stakeholders and highlights Bandhan Bank's commitments towards the customer satisfaction, thus ensuring accountability and responsibility amongst its officials and staff. This charter for customers not only explains our commitment and responsibilities along with the redressal methods but also specifies the obligation on the part of customers for healthy practices in customer-banker relationships.

This is not a legal document creating rights and obligations. The charter has been prepared to promote fair banking practices and to give information with respect to various activities of the bank which will result into superior customer service.

We wish to acknowledge the initiative taken by the Ministry of Finance, Government of India and Ministry of Administrative Reforms and Public Grievances for encouraging us to bring out this charter.

We shall maintain constant consultations with our clientele through various Seminars, Customer Meets, etc., to evaluate, improve and widen the range of service to customer. However, all our customers are requested to keep us informed of their experiences about the various services rendered by the Bank and feel free to comment on this charter. We intend to bring it out in respective Regional Languages in subsequent years.

In this Charter, 'you' denotes the customer and 'we' / 'us', denotes Bandhan Bank (referred to as 'the Bank'), which the customer deals with.

CEO & Managing Director
Bandhan Bank

1. OBJECTIVES OF THE CHARTER

1.1. The Charter has been developed to:

- 1.1.1. promote good and fair banking practices by setting minimum standards in our dealings with you;
- 1.1.2. increase transparency so that you can have a better understanding of what you can reasonably expect from us;
- 1.1.3. encourage market forces, through competition, to achieve higher operating standards;
- 1.1.4. promote a fair and cordial relationship between you and your bank; 1.1.5. foster trust and confidence in the Bandhan Bank

2. APPLICATION OF THE CHARTER

- 2.1. This Charter applies to all the products and services offered by the Bank, whether they are provided by our branches, Banking Units (BUs) or authorized representatives acting on our behalf, whether across the counter, over the phone, by post, through interactive electronic devices, on the internet or by any other method. However, all products discussed here may or may not be offered by us at all our branches or the banking units, either directly or through authorized representatives.

3. OUR KEY COMMITMENTS TO YOU

3.1. To act fairly and reasonably in all our dealings with you by:

- 3.1.1. Providing minimum banking facilities such as receipt and payment of cash/cheques at the Bank's counters and opening basic savings bank deposit accounts opened for the purpose of financial inclusion.
- 3.1.2. Meeting the commitments and standards laid out in the Charter for the products and services offered by the Bank.
- 3.1.3. Ensuring that products and services adhere to relevant laws and regulations in letter and in spirit.
- 3.1.4. Ensuring that dealings with the customers rest on ethical principles of integrity and transparency.
- 3.1.5. Operating a secure and reliable banking service and payment system.
- 3.1.6. Dealing quickly and empathetically with customer grievances arising due to errors, delays in handling of customer related issues or on account of problems arising due to technological failure.
- 3.1.7. Ensuring that customers are treated fairly at all times.

- 3.1.8. Ensuring that customers are informed of avenues to escalate their complaints/grievances within the Bank and their rights to alternative remedy, if they are not fully satisfied with the response of the Bank to their complaints / grievances.

3.2. To help you to understand how our financial products and services work by:

- 3.2.1. Giving you information about them in any one or more of the following languages - Hindi, English or the appropriate local language.
- 3.2.2. Ensuring that our advertising and promotional literature is clear and not misleading.
- 3.2.3. Ensuring that you are given clear information about our products and services, the terms and conditions and the interest rates/ service charges, which apply to them.
- 3.2.4. Giving you information on the facilities provided to you and how you can avail of these and whom and how you may contact for addressing your queries.

3.3. To deal quickly and sympathetically with things that go wrong by:

- 3.3.1. Correcting mistakes promptly and ensuring that mistakes of such nature do not occur again.
- 3.3.2. Resolving your complaints promptly.
- 3.3.3. Telling you how to take your complaint forward if you are still not satisfied with resolution provided.
- 3.3.4. Providing suitable alternative avenues to alleviate problems arising out of technological failures.

3.4. To help you use your account or service by:

- 3.4.1. Providing you regular appropriate updates.
- 3.4.2. Keeping you informed about changes in the interest rates, charges or terms and conditions.
- 3.4.3. Displaying in our branches and banking units, for your information
- Services we provide.
 - Minimum balance requirement, if any, for Savings Bank Accounts and Current Accounts and the charges for non-maintenance thereof.
 - Name of the official at the branch / Banking unit, whom you may approach if you have a grievance, as applicable.
 - Name and address of the Cluster Manager and the Zonal Manager, whom you can approach if your grievance is not redressed at the branch / Banking unit, as applicable.

- Name of the Reserve Bank Integrated Ombudsman under whose jurisdiction the branch/BU/Housing Finance Centre falls along with the address and phone number of the Centralised Receipt and Processing Centre and the URL for lodgement of complaints
- Information available in booklet form.

3.4.4. Displaying on our website our customer policies

3.5. To treat all your personal information as private and confidential

3.5.1. We shall treat all your personal information as private and confidential

3.5.2. We shall not reveal information or data relating to your accounts, whether provided by you or otherwise, to anyone, including other companies /entities in our group, other than in the following exceptional cases:

- If we have to give the information by law or if required by the banking regulator.
- If there is a duty towards the public to reveal the information.
- If our interests require us to give the information (for example, to prevent fraud) but we shall not use this as a reason for giving information about you or your accounts (including your name and address) to anyone else, including other companies in our group, for marketing purposes.
- If you authorize us to reveal the information.
- If we are asked to give a banker's reference about you, we will need your written permission before we give it.

3.5.3. We will not use your personal information for marketing purposes by anyone including ourselves unless you specifically authorize us to do so.

3.6. To adopt and practice a non - discrimination policy

3.6.1. We will not discriminate you on the basis of age, race, gender, marital status, religion, disability, social, educational or financial status.

3.7. Regulatory / Statutory Compliance

In order to comply with regulatory/ statutory requirements, while opening an account, we shall adhere to the Know Your Customer (KYC) Norms and Anti Money Laundering (AML) as laid down in regulatory guidelines. We shall satisfy ourselves about the identity of the person seeking to open an account and verify the address of that person/s, thereby protecting prospective customer/s, members of the public, the Bank and other stakeholders against fraud and other misuse of the banking system. We will also satisfy ourselves about the sources of income of the existing/ prospective customer. In order to meet the above, the Bank shall ask customers to provide documents and information as may be required. Customers must also provide to the Bank such documents and information as required for updating and verifying customer information periodically as required.

4. COLLECTION OF DUES

- 4.1. As a matter of general principle, we will not solicit to you for taking loan from us. Whenever we accede to your request to give loans, we shall explain to you the repayment schedule, viz. amount, tenure and periodicity of repayment. However, if you do not adhere to repayment schedule, a defined process in accordance with the laws of the land as well as the rules framed by the Bank will be followed for recovery of dues.
- 4.2. We shall have a Board approved policy for Collection of Dues and Security Repossession as also appointment of Recovery Agents.
- 4.3. All relevant laws, regulations, guidelines and conditions of approval, licensing or registration will be taken into account when appointing Recovery Agents. We shall ensure that our Recovery Agents are properly trained to handle their responsibilities with care and sensitivity. We shall also ensure that they do not exceed their brief.
- 4.4. Our collection policy is built on courtesy, fair treatment and persuasion. We believe in fostering customer confidence and long term relationship.
- 4.5. We shall provide you with all the information regarding your dues and shall endeavour to give sufficient notice for payment of dues.
- 4.6. We shall have a system of checks before passing on a default case to recovery agencies so that you are not harassed on account of lapses on our part.
- 4.7. We shall write to you when we initiate recovery proceedings against you and shall inform you of the name of the recovery agency/ agent, to whom your case has been assigned as also their address and telephone numbers.
- 4.8. We shall provide details of the recovery agency firms / companies engaged by us on our website.
- 4.9. We shall also make available, on request, details of the recovery agency firms / companies relevant to you at our branches.
- 4.10. Our staff or any person authorized to represent us in collection of dues or/and security repossession shall identify himself/herself and produce the authority letter issued by us and upon request show you his/ her identity card issued by the bank or under authority of the bank.

5. SPECIAL CUSTOMERS

The Bank commits to the following while dealing with special customers

5.1. Pensioners and Other Senior Citizens:

- 5.1.1. There shall be, to the extent possible, prioritized service to senior citizens persons at all branches and banking units
- 5.1.2. The Bank shall issue a pension slip to pensioners containing details of the pension credited to their account.
- 5.1.3. The Bank shall endeavour to arrange to disburse the pension at the doorstep, in special circumstances.
- 5.1.4. The Bank shall accept the Life Certificate that is required to be submitted by pensioners at any branch of our bank.
- 5.1.5. The Bank shall endeavour to provide 'Doorstep' banking (pick up of cash/ instruments for credit to the account or delivery of cash / demand drafts against issue of cheque/requisition in writing) in special circumstances like ill health, inability to come to the Bank, etc.

5.2. Self Help Groups (SHGs):

- 5.2.1. Bank shall consider granting loans to SHGs and its members, on a case to case basis, based on the merits, viability of the business proposition and other lending norms as prescribed for SHGs in the Bank's credit policy.

5.3. Customers in Rural and Semi-Urban areas:

- 5.3.1. Bank shall ensure proper currency exchange facilities and also the quality of notes disbursed to customers, especially in rural areas.
- 5.3.2. It shall be ensured that Branches and Banking Units remain open for public transactions during the prescribed business hours on all working days.

5.4. Providing banking facilities to the visually challenged/ differently abled

- 5.4.1. We shall make our best efforts to make it easy and convenient for our special customers like differently abled and illiterate persons to bank with us. This will include making convenient policies, products and services for such applicants and customers.
- 5.4.2. We shall endeavour to develop systems and procedures to improve access to banking services by you.
- 5.4.3. We shall endeavour to make physical access to our branches, banking units and ATMs convenient for you.

5.4.4. We shall sensitize our staff interacting with you to assist you in carrying out your banking transactions.

6. RESERVE BANK INTEGRATED OMBUDSMAN SCHEME, 2021

6.1. We shall display the Reserve Bank Integrated Ombudsman Scheme on our website. A copy will be made available on request at a nominal charge. We shall display at our branches / banking units / Housing Finance Centres the name of the Reserve Bank Integrated Ombudsman under whose jurisdiction the Branch / Banking Unit / Housing Finance Centre falls along with the address and phone number of the Centralised Receipt and Processing Centre and the URL for lodgement of complaints.

7. CUSTOMERS' MEETINGS

7.1. We shall endeavour to organize meetings of customers at periodic intervals as a regular channel for exchange of ideas and suggestions.

8. PRODUCTS AND SERVICES

8.1. Deposit accounts

8.1.1. You may open different types of accounts with us such as, savings accounts, term deposits, current accounts etc. with us. You may open such accounts in the following styles:

- Single
- Joint
- Joint (Either or Survivor)
- Joint (Former or Survivor)
- Joint (Latter or Survivor); or In any other style.

8.1.2. We shall make available 'Basic Savings Bank Deposit Account' (BSBD Account) to all customers, without the requirement of any minimum balance. We shall offer / provide minimum common facilities, without any charges. The relevant details shall be made known to you in a transparent manner at the time of opening of the account.

8.1.3. The above accounts may be opened by you with nomination facility, wherever permissible. We shall include, in the account opening form, the option for nomination as also the option for indicating the name of the nominee in passbooks/ account statements / fixed deposit advices. We shall explain the implications of the foregoing accounts as also the nomination facilities at the time of opening of the account.

- 8.1.4. We shall acknowledge the receipt of your nomination details and record the fact of nomination on the passbook/account statement/ fixed deposit advices. At your request, we shall also indicate the name of the nominee thereon.
- 8.1.5. We shall also inform you about other deposit facility accounts and similar types of products offered by us and their implications and procedures involved, at the time of opening of account.

8.2. Savings/Current accounts

8.2.1. When you open a Deposit Account, we shall:

- Inform you about number of transactions, cash withdrawals, etc. that can be done free of charge in a given period.
- Inform you about the kind of charges, if any, in case of exceeding such limits. Details of the charges will be included in the Tariff Schedule.
- Inform you of the rate at which interest is paid on your savings deposits, how it is calculated and the periodicity of its payment.

8.3. Term deposits

- 8.3.1. When you place a term deposit with us, we shall obtain instructions from you in the account opening form for the disposal of your deposit at maturity.
- 8.3.2. Where there are no instructions for disposal of the deposit at maturity, we shall inform you well in advance through letter / E-mail / SMS about its impending date of maturity.
- 8.3.3. In case we still do not receive any instruction from you, we shall renew the deposit, excluding deposits like tax savings deposits etc., for the same period of time as the matured deposit at the prevailing rate of interest.

8.4. Safe deposit lockers

- 8.4.1. We shall give you the complete details of the rules and the procedures applicable for allotment of the safe deposit lockers and also safe deposit of valuables, in case we offer the service at your branch. We shall allot lockers without linking it to placement of fixed deposits. However, to ensure prompt payment of locker rent, we may at the time of allotment, obtain a fixed deposit which shall cover 3 years' rent and the charges for breaking open the locker in case of an eventuality.

8.5. Remittances

8.5.1. If you want to remit money, we shall inform you how to make the remittance and shall:

- Give a description of our services and how to use them.
- Suggest to you the best way to remit the money to suit your needs.
- Disclose the details of all charges including commission that you will have to pay for the service as per the Tariff Schedule.
- Send you an SMS / e-mail informing you of the fate / status of the remittance made by you through mobile banking / NEFT / RTGS.
- Make available on our website updated contact details of our Customer Facilitation Centres to handle your queries / complaints regarding NEFT / RTGS transactions.
- In case of any delay we shall compensate you for the delay and any loss/additional expense incurred by you, as per relevant policy.
- We shall extend remittance facilities within prescribed limits to walk-in customers also.

8.6. Loans

8.6.1. We shall have a Board approved policy on Loans and Advances.

8.6.2. We shall base our lending decisions on a careful and prudent assessment of your financial position and capacity to repay. We shall not discriminate on grounds of sex, caste and religion in the matter of lending. However, this does not preclude us from instituting or participating in schemes framed for specified sections of the society.

8.7. Electronic Banking

8.7.1. We shall conform to internationally accepted standards for methods of generation, storage and terminal security relating to PINs and Passwords to ensure their confidentiality and security for your protection. We will deliver your PIN to you at our branch or banking unit after due identification or deliver it at the address we have on record. You may, also at your convenience, generate PIN.

8.7.2. In order to safeguard your account, simple PINs or Passwords such as those listed below should be avoided.

- birth dates, months or years;
- sequential numbers (e.g. 3456);
- number combinations that may be easily guessed (e.g. 1111);
- parts of your telephone number;
- parts of numbers in the order in which they are printed on any of your cards
- other easily accessible personal data (e.g. driving license, or other numbers easily connected with you); and
- names of family members, pets or streets

- Never store your password / PIN in mobile phone

8.8. Internet Banking

- 8.8.1. We shall take all necessary steps to put in place security systems to enable safe access to and transacting through internet banking.
- 8.8.2. We shall take appropriate measures to ensure that our Internet Banking system and technology are secure and are regularly reviewed and updated for this purpose.
- 8.8.3. We shall undertake various initiatives to educate you on online security by way of periodic emails, through our websites and at various customer touch-points like ATMs, etc.
- 8.8.4. We shall never ask you in person or in writing (including by e-mail) to confirm your Internet Banking security information or to disclose your Password.

8.9. Mobile Banking

- 8.9.1. We shall take appropriate measures to ensure that our mobile applications are secure and regularly reviewed and updated for this purpose.
- 8.9.2. Apart from your obligations when using Internet Banking, when using a mobile application or any other form of social media to access banking services you shall need to take additional care to protect your device, by:
 - not leaving your device unattended and logged into a mobile banking service;
 - locking your device or taking other steps to stop unauthorized use of your mobile banking service; and
 - Notifying us as soon as practicable if your device is lost or stolen.
- 8.9.3. If you opt for mobile banking services we shall, prior to your registration for the service, inform you of:
 - the security procedure adopted by us for user authentication;
 - the applicability or otherwise of stop payment instructions and the terms and conditions for the acceptance, if any, for the same.

8.10. ATM / Debit Cards

- 8.10.1. We shall offer you an ATM / Debit Card if it is normally issued with the type of account you have opted for. You may decline to accept the card if you do not want it.
- 8.10.2. Where cards are delivered to you personally, we must be satisfied about your identity before allowing cards to be delivered.
- 8.10.3. We shall send a service guide/member booklet giving detailed terms and conditions, losses on your account that you may be liable if your card is lost / misused and other relevant information with respect to usage of your card along with your first card.

8.10.4. We shall inform you which of your accounts your card can access. We will also inform you whether the card issued to you has more than one function and if so, what those functions are.

8.11. Secure and reliable banking and payment systems

8.11.1. We will make best efforts to ensure that you enjoy secure and reliable banking and payment systems and which you can trust.

8.11.2. We will install CCTV, wherever feasible, for close surveillance as part of security arrangements

8.12. Articles in Safe Custody

8.12.1. Articles like shares, securities, etc. can be kept in safe custody with the Bank at prescribed charges wherever such facility is offered.

8.12.2. The articles may be kept in sealed packages / boxes. Boxes must be locked by the customer(s) and particulars must be written / painted thereon. The lock should be covered by sturdy cloth and sealed with the customer's seal. Relationship of banker and customer shall be that of bailer and bailee.

9. CUSTOMER EDUCATION

9.1. The Banking Code and Standards Board of India (BCSBI) Codes shall be displayed on our website. The code provides details of sets minimum standards of banking practices that Bandhan Bank shall follow while they deal with individual customers. It provides protection to customers and explains how banks are expected to deal with customers in their day-to-day operations.

9.2. Special efforts shall be made to educate the customers in the use of technology in banking. To promote this, regular communications shall be sent using various channels available to the bank like emailers, SMS, website & other online portals, social media, offline media like newspapers, outdoors, etc. Media shall also be used on a case to case basis depending on the nature of the communication.

9.3. The Bank will ensure full transparency to the customer in levying of various fees/ service charges and penalties.

9.4. Bank has established a proper Customer Grievance Mechanism which works in an integrated manner across channels such as branches, banking units, phone banking centers, emails, letters, the Banks website and social networking sites to capture and track customer issues and complaints

9.5. The Grievance redressal policy lays down the detailed guidelines and time frame for grievance redressal services.

9.6. It shall be made known to the Complainant that if He / She is not satisfied by the resolution provided by the Bank, then He / She may approach the Reserve Bank of India Ombudsman for resolution.

ANNEXURE II – Code of Bank's Commitment to Customers

The detailed document is hosted in our Web Site on

<https://bandhanbank.com/sites/default/files/2021-01/Code-%20Bank-Commitment-Customers-January-2018.pdf> and in our branches.

ANNEXURE III – Charter of Customer Rights

All customers of the bank have the below rights and the said rights are followed in letter and spirit in all the products and processes of the Bank.

1. **Right to Fair Treatment:** Both the customer and the financial services provider 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.
2. **Right to Transparency, Fair and Honest Dealing:** The financial services provider should 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 financial service provider, should be clearly disclosed. The customer should not be subject to unfair business or marketing practices, coercive contractual terms or misleading representations. Over the course of their relationship, the financial services provider cannot threaten the customer with physical harm, exert undue influence, or engage in blatant harassment.
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.
4. **Right to Privacy:** Customers' personal information should be kept confidential unless they have offered specific consent to the financial services provider 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.

5. **Right to Grievance Redressal and Compensation:** The customer has a right to hold the financial services provider accountable for the products offered and to have a clear and easy way to redress the grievances. The provider should also facilitate the redress of grievances stemming from its sale of third party products. The financial services provider must communicate its policy for compensating mistakes, lapses in conduct, as well as non-performance or delays in performance, whether caused by the provider or otherwise. The policy must lay out the rights and duties of the customer when such events occur.