INDIA POST PAYMENTS BANK (IPPB)
Customer Rights Policy

Approvals:

Date	Name	Designation
19.01.2017	Board of Directors	
29.09.2022	Board of Directors	

Version:

Date	Version	Change Description	Approved by
19.01.2017	1.0	First Draft	Board of Directors
29.09.2022	2.0	Reviewed Draft	Board of Directors
08.03.2024	2.1	Reviewed	PFRC
30.05.2025	3.0	Approved	Board of Directors

Contents

1. Introduction 4
2. Objective of the Policy 4
3. Scope of the Policy 4
4. Applicability of the Policy 4
5. Key Components of Customer Rights Policy 5
   5.1. Right to Fair Treatment 5
   5.2. Right to Transparency, Fair and Honest Dealing 6
   5.3. Right to Suitability 8
   5.4. Right to Privacy 9
   5.5. Right to Grievance Redress and Compensation 9
6. Customer's Responsibility 11
7. Policy Revision 11

Annexure II - References 13

1. Introduction

India Post Payments Bank (IPPB), henceforth, referred as "the Bank", believes that customer protection is an integral aspect of its aim. To substantiate this belief, based on guidelines of Reserve Bank of India, domestic experience and global best practices, the Bank has adopted following comprehensive Customer Rights Policy (henceforth, referred as "the Policy") for its customers.

A 'Banking Outlet' for a Domestic Scheduled Commercial Bank (DSCB), a Small Finance Bank (SFB) and a Payment Bank (PB) is a fixed point service delivery unit, manned by either bank's staff or its Business Correspondent where services of acceptance of deposits, encashment of cheques/ cash withdrawal or lending of money are provided for a minimum of 4 hours per day for at least five days a week. It carries uniform signage with name of the bank and authorization from it, contact details of the controlling authorities and complaint escalation mechanism. The bank should have a regular off-site and on-site monitoring of the 'Banking Outlet' to ensure proper supervision, 'uninterrupted service' except temporary interruptions due to telecom connectivity, etc. and timely addressing of customer grievances. The working hours/days need to be displayed prominently.

Therefore, existing framework/ structure/functioning of the bank has to be considered accordingly as detailed above.

2. Objective of the Policy

The objective of the policy is to enshrine basic rights of the customers of the banks regulated by the Reserve Bank of India. It spells out the rights of the customer and also the responsibilities of the bank.

3. Scope of the Policy

This policy shall apply to all products offered by the Bank, whether across the counter, over the phone, by post, through interactive electronic devices, through door step banking, through internet, or by any other method.

4. Applicability of the Policy

This policy shall be applicable for all the customers of the Bank. It shall also be applicable for all the staff of the Bank at all administrative offices, banking outlets, other channels, handling banking transactions and related activities of the Bank.

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

The policy also lays down the principles for offering a suitable product and mandates adherence to all statutory guidelines to protect the interest of the Bank and its customers.

5. Key Components of Customer Rights Policy

5.1. Right to Fair Treatment

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

5.1.1. In pursuance of the above Right, the Bank will

- To promote good and fair banking practices by setting minimum standards in all dealings with the customers;
- To increase transparency to facilitate a better understanding of what can be reasonably expected from the Bank;
- To encourage market forces, through competition, to achieve higher operating standards;
- To promote a fair and cordial relationship between the customers and the Bank;
- To foster confidence in the banking system.
- The Code is also available in our banking outlets and a copy of the same can be provided on request to the customers.
- Promote a fair and equitable relationship between the Bank and the customer;
- Train the Bank's staff and agents, attending to the customers, adequately and appropriately;
- Ensure that staff members and agents attend to customers and their business promptly and courteously;
- Treat all customers fairly and not discriminate against any customer on grounds such as gender, age, religion, caste, literacy, economic status, physical ability, etc. The Bank may, however, have special schemes or products which are specifically designed for members of a target market group or may use defensible, commercially acceptable economic rationale for customer differentiation. The Bank may also have schemes or products as part of an affirmative action such as for women or backward classes. Such schemes / products will not tantamount to unfair discrimination. The rationale for such special schemes or terms will be explained by the Bank wherever required;
- Ensure that the above principle is applied while offering all products and services;
- Ensure that the products and services offered are in accordance with relevant laws and regulations;
- Ensure to enhance customer awareness of their rights, particularly among hitherto marginalized customers, financially illiterate and semi-illiterate sections of the society

- Promote safe and fair customer dealing in digital banking environment

5.1.2. Customer service holds paramount importance for the Bank. While it shall be the endeavor of the Bank to provide their customers with hassle free and fair treatment, the Bank would expect their customers to behave courteously and honestly in their dealings with the Bank.

5.1.3. It shall also be the Bank's endeavor to encourage their customers to approach the Bank's internal grievance redressal machinery and approach alternate fora after exhausting all their remedies under the Bank's internal grievance mechanism. The details of the grievance redressal mechanism have been formulated as a part of the 'Customer Grievance Redress Policy'

5.1.4. While offering any new product or service, the Bank shall examine all the guidelines given by the regulatory authorities (such as RBI, IBA, SEBI, etc.) to ensure that the products and services offered are in accordance with the relevant laws and regulations.

5.1.5. For senior citizens, differently abled or infirm persons (having medically certified chronic illness or disability) including those who are visually impaired, concentrated efforts will be made to provide door step banking for basic banking facilities, Digital Life Certificate at the residence of such customers

5.2. Right to Transparency, Fair and Honest Dealing

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

5.2.1. In pursuance of the above Right, the Bank will –

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

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

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

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

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

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

5.2.1.7. Display the tariff Schedule on the Bank's website and a copy of it shall be made available at every banking outlets for customer's perusal. Also display in banking outlets, a notice about the availability of the Tariff Schedule.

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

5.2.1.9. Inform the customer of any change in the terms and conditions through a letter or Statement of Account, SMS or email as agreed with the customer at least one month prior to the revised terms and conditions becoming effective;

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

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

5.2.1.12. Display in public domain the Banks' Policies on –

- Deposits;
- Cheque Collection;
- Grievance Redressal;
- Compensation

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

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

5.2.1.15. Communicate unambiguously the information about –

- Discontinuation of particular products;
- Relocation of their offices;
- Changes in working hours;

- Change in telephone numbers;
- Closure of any office or banking outlet;

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

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

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

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

5.2.1.19. Assist the customer in all available ways for managing his / her account, financial relationship by providing regular inputs in the Bank's realms such as account statements / passbooks, alerts, timely information about the product's performance, etc.;

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

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

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

5.3. Right to Suitability

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

5.3.1. In pursuance of the above Right, the Bank will –

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

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

5.3.1.3. Sell third party products as per the Board approved policy for marketing and distributing third party financial products

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

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

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

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

5.4. Right to Privacy

Customers' personal information shall be kept confidential unless they have offered specific consent to the Bank or such information is required to be provided under the law or it is provided for a mandated business purpose. The customer shall 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. The details of this have been included as a part of the Bank's 'Customer Privacy Policy'

5.4.1. In pursuance of the above Right, the Bank will –

5.4.1.1. The scope of the secrecy law in India has generally followed the common law principles based on implied contract. The bankers' obligation to maintain secrecy arises out of the contractual relationship between the banker and customer, and as such no information should be divulged to third parties except under circumstances which are well defined. The following exceptions to the said rule are normally accepted:

- Where disclosure is under compulsion of law
- Where there is duty to the public to disclose
- Where interest of bank requires disclosure and
- Where the disclosure is made with the express or implied consent of the customer.

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

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

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

5.5. Right to Grievance Redress and Compensation

The customer has a right to hold the Bank accountable for the products offered and to have a clear and easy way to have any valid grievances redressed. The Bank shall also facilitate redress of grievances stemming from its sale of third party products. The Bank 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 'Compensation Policy' and 'Customer Grievance Redress Policy' lays out the rights and duties of the customer when such events occur.

5.5.1. In pursuance of the above Right, the Bank will –

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

5.5.2. The Bank will ensure that its complaint / grievance redressal mechanism covers services offered for third party products as well as activities managed / supported by third party agencies. With reference to complaints on third party products / services, the Bank would render support on best effort basis by taking up the customer's complaint with the third party product / service provider. However, the final outcome of such effort would be dependent on the decision of the third party product / services provider. The details of this have been included in the 'Policy to Distribute Third Party Products and Avoid Mis-Selling'

5.5.3. The Bank will also –

5.5.3.1. Place in public domain its 'Customer Grievance Redress Policy', including the grievance redressal procedure available for the customer;

5.5.3.2. Place in public domain the 'Compensation Policy' for delays / lapses in conducting / settling customer transactions within the stipulated time and in accordance with the agreed terms of contract;

5.5.3.3. Ensure to have a robust and responsive grievance redressal procedure and clearly indicate the grievance resolution authority who shall be approached by the customer;

5.5.3.4. Make grievance redressal mechanism easily accessible to customers;

5.5.3.5. Advise the customer about how to make a complaint, to whom such a complaint is to be made, when to expect a reply and what to do if the customer is not satisfied with the outcome;

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

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

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

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

5.5.4. Further, the Bank will –

5.5.4.1. Acknowledge all formal complaints (including complaints lodged through electronic means) within three working days and work to resolve it within a reasonable period, not exceeding 30 days (including the time for escalation and examination of the complaint by the highest ranking internal official responsible for grievance redressal). The 30 days period shall be reckoned after all the necessary information sought from the customer is received;

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

5.5.5. In addition, the Bank will –

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

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

6. Customer's Responsibility

The Bank is committed to provide excellent customer service to its customers, however, the Bank –

6.1.1 Shall not be responsible for any loss to the customer if the customer acts without reasonable care, or acts fraudulently which has resulted in any loss to him / her.

6.1.2 Shall not be responsible for any loss arising due to misuse of lost PIN< passbook, cheque book, compromise of passwords, compromise of secured or confidential information, etc. until the time the Bank has been notified and relevant steps to prevent such misuse were duly taken.

6.1.3 Shall not be liable for any loss or damage caused by extraneous circumstances which are beyond its reasonable control.

6.1.4 Shall expect the customers to behave honestly and courteously in their dealings with the Bank.

7. Policy Revision

7.1.1. The Operations department shall be responsible to own, maintain and update this policy.

7.1.2. Any revisions to the policy may seek inputs from concerned departments of the Bank.

7.1.3. This policy shall undergo an annual review and approval process by the Board. If any change in this policy is subsequently approved, consequent upon any change in regulatory guidelines, market conditions, etc., such changes and approvals shall be deemed to be part of the policy until the policy and framework are comprehensively reviewed. All such interim changes shall be approved by the

Board. The reviewed policy should be made available for information of all employees.

Annexure I - Glossary

Term	Description
BCSBI	Banking Codes and Standards Board of India
IPPB	India Post Payments Bank
MITC	Most Important Terms and Conditions
RBI	Reserve Bank of India
SMS	Simplified Messaging Service

Annexure II - References

Sr. No.	Reference	Description
1	RBI Press Release Press Release : 2014-2015/1142, dated 3rd December, 2014	On 03rd Dec 2014, RBI released a Charter of Customer Rights which enshrines broad, overarching principles for protection of bank customers and enunciates the ‘five’ basic rights of bank customers
2	Banking Codes and Standards Board of India: Code of Bank’s Commitment to Customers	This code sets minimum standards of banking practices member banks have to follow while they deal with individual customers
3	Indian Bank’s Association: Model Customer Rights Policy	This draft policy provides a framework for customer rights that may be replicated with suitable amendments by individual banks
4	Master Circular on Customer Service in Banks	RBI/2015-16/59/DBR No.Leg.BC.21/09.07.006/2015-16 dated 1st July 2015
5	Guidelines issued by RBI dated May 18, 2017 under Ref . DBR.No.BAPD.BC.69/22.01.001/2016-17	The RBI guidelines that mentioned the detailed meaning of Banking outlet.