



Customer Rights Policy

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Customer Service, CHQ



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I. Introduction

The Customer Rights Policy protects basic rights of the Customers of the Bank. The policy brings out the rights of the customer and also the responsibilities of the Bank. The policy sets minimum standards of banking practices, bank has to follow while dealing with individual customers. It provides protection to customers and explains how bank is expected to deal with customers in its day-to-day operations. The policy does not replace or supersede regulatory or supervisory instructions of the Reserve Bank of India (RBI) and the bank shall comply with such instructions/directions issued by RBI from time to time. The bank will endeavour to adopt higher standards of banking practices to extend better customer service and achieve higher levels of customer satisfaction. The policy applies to all products and services provided by the bank.

II. Objective:

The policy aims to create a fair and conducive environment for its customers in obtaining satisfactory customer services through the various banking channels

1. Right to Fair Treatment

- i. Bank promises that it will act courteously, fairly and reasonably in all dealings with customers.
- ii. Bank promises to promote good and fair banking practices by setting minimum standards in its dealings with customers.
- iii. Bank will increase transparency so that customer can have a better understanding of what they can reasonably expect from bank.
- iv. Bank will make sure that its documents and procedures are clear and not misleading and that customers are given clear information about the products and services.
- v. When customers have chosen an account or service, the bank will give them clear information about how it works, the terms and conditions and the information about applicable interest rates.

- vi. Bank will help customers to use their account or services by sending regular statements on demand / request and will keep customers informed about changes in the interest rates, charges or terms and conditions.
- vii. Bank will not discriminate unfairly against any customer on grounds such as gender, age, religion, caste and physical ability. However, the bank has certain special products and schemes which are specifically designed for members of a target market group, which would not tantamount to unfair practice.

While it shall be the endeavour of the bank to provide their customers with hassle free and fair treatment, Bank would expect its customers to:

- i. Behave courteously and honestly with the Bank.
- ii. Approach the available internal resolution/grievance redressal mechanism and after exhausting the remedies under banks internal grievance mechanism approach alternate fora.

2. Right to Transparency, Fair and Honest Dealing

- i. Bank will ensure that the customers are provided terms and conditions in respect of product in simple language, easily understandable, and with sufficient information so that the customer reasonably makes an appropriate choice of product.
- ii. The key risks associated with the product as well as any features that may especially disadvantage the customer will be made known to him/her. Most Important Terms and Conditions (MITC) shall be clearly brought to the notice of the customer while offering the product.
- iii. Bank will ensure full transparency to the customer in levying of various fees/ service charges and penalties.
- iv. Special efforts will be made to educate the customers in the use of technology in banking. Bank will make use of Print & Electronic media for this purpose.
- v. Bank will display the charges schedule on website and copy of same shall also be made available at every business unit. The charges schedule shall also be made available on digital notice board/signage at the business units.

- vi. Bank will advise the customer at the time of selling the product of the rights and obligations embedded in law or regulation, as well as the need to report any critical incidents that they encounter, suspect or discover.
- vii. Bank will provide advice consistent with the interests of the customer, if the bank is engaged by the customer for this purpose.
- viii. Bank will not terminate a customer relationship without giving reasonable or contractual prior notice to the customer.
- ix. Bank will assist the customer in managing their financial relationship by providing regular account statements and other related information, as and when demanded.
- x. Bank will ensure that all marketing and promotional material sent to the customer is clear and not misleading to the target customer.
- xi. Bank will not threaten the customer with physical harm, exert influence that is outside normal and reasonable business practice, or engage in behavior that would reasonably be construed as unwarranted harassment.
- xii. Bank will display the policies on Deposits, Cheque Collection Grievance Redressal, Compensation & Collection of Dues and Security Repossession on website.
- xiii. Bank will 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.
- xiv. Bank will inform the customer of any change in the terms and conditions through a letter or statement of account or SMS.
- xv. Bank will communicate to the customer any changes in the terms and conditions, fees, service charges, discontinuation of particular products, relocation of provider offices, changes in working hours, change in telephone numbers etc.

3. Right to Suitability

- i. Bank will offer products appropriate to the needs of the customer and based on an assessment of the customer's financial circumstances and understanding.
- ii. Bank will ensure that products offered to customer are assessed suitably and approved by the Management, Board or any other Competent Authority of the Bank.
- iii. Bank will ensure 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.
- iv. Bank will sell third party products only if it is authorized to do so.
- v. Bank will not follow any restrictive practices of forcing a customer to either opt for any third party products from a specific service provider or link sale of such products to any banking product.
- vi. Bank will ensure that the products being sold or service being offered, including third party products, are in accordance with extant rules and regulations.
- vii. Bank will ensure to 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.
- viii. Bank will examine the structure of fees / service charges / penalties to ensure that they are reasonable.

4. Right to Privacy

Bank will treat all personal information of customers as private and confidential (even when the customer is no longer banking with our bank), and shall be guided by the following principles and policies.

- Bank will not reveal information or data relating to customer accounts,

whether provided by customer or otherwise, to anyone, including other companies /entities in our group, other than in the following exceptional cases:

- a. If bank has to give the information by law or if required by the banking regulator.
 - b. If the bank has to give the information required by Investigating Agency, Police, Court, Income Tax Department or any other State/Central Statutory Authority.
 - c. If there is a duty towards the public to reveal the information.
 - d. If interests of the bank requires to give the information, for example, to prevent fraud.
 - e. If customer authorizes the bank to reveal the information.
 - f. If bank is asked to give a reference about customer, bank will ensure to obtain the customer's written permission.
- Bank will not use personal information of customer for marketing purpose by anyone including ourselves unless the customer has specifically authorized it.

5. Right to Grievance Redressal and Compensation

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

In pursuance of the above Right, bank will -

- i) deal sympathetically and expeditiously with all things that go wrong;
- ii) correct mistakes promptly;
- iii) cancel any charge that has been applied wrongly and by mistake;

Time lines for compensation for financial losses to the customers which they may incur due to deficiency in the services offered by the bank through various Banking Channels, are depicted against each:

S.No.	Banking Channel	Compensation timeline/ Rate
1	Unauthorized/ Erroneous Debit	7 working days
2	ECS direct debits/other debits to accounts	Immediately after reporting
3	Credit Card activation charges (if card is activated without customer's consent)	Immediately after reporting
4	Payment of Cheques after Stop Payment Instructions	2 working days
5	Foreign Exchange Services	Within 7 days of the credit received in Nostro account
6	Payment of Interest for delayed Collection of Outstation Cheques	<ul style="list-style-type: none"> • SB rate for the period of delay beyond stipulated time. • TDR rate for the corresponding period of delay from 14 to 90 days. • 2% above TDR rate for delays exceeding 90 days. • Rates applicable to loans shall be given for the period of delay in collection of cheques meant for credit to loan account of the customer. • For extraordinary delays, interest will be paid 2% above the rate applicable to the loan account.
7	Compensation for loss of instrument in Transit	The Bank would provide all assistance to the customer to obtain a duplicate instrument from the drawer of the cheque. Besides, the bank will compensate the account holder in respect of instruments lost in transit as per rates specified under S.No. 6 above.
8	Issue of Duplicate Draft and Compensation for delays	Bank will issue duplicate draft within 15 days of receipt of such request. For delay beyond the above stipulated period, interest at the rate applicable for Fixed Deposit of corresponding period will be paid as compensation.

9	Violation of the Code by banks agent	Bank will communicate the findings to the customer within 7 working days from the date of receipt of complaint.
10	Lenders liability; Commitments to borrowers	Bank would return to the borrowers all the securities/documents/title deeds to mortgaged property within 15 days of repayment of all dues. Bank will compensate the customer for monetary loss suffered, if any, due to delay in return of the same.
11	ATM Failure	Bank will reimburse the amount wrongfully debited on account of failed ATM transaction within a maximum period of 7 working days from the receipt of the complaint. For any failure to re-credit the customer's account within 7 working days from the date of receipt of the complaint, Bank shall pay compensation of Rs.100/- per day to the aggrieved customer.

The bank will also -

- i) Place in public domain its Grievance Redressal Policy, including the grievance redressal procedure available for the customer;
- ii) 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;
- iii) Ensure to have a robust and responsive grievance redressal procedure and clearly indicate the grievance resolution authority who shall be approached by the customer;
- iv) Make grievance redressal mechanism easily accessible to customers;
- v) 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. (In case of unsatisfactory reply

in respect of complaint lodged with the Business Unit, the customer can approach the Zonal Head/ Nodal Officer under whose administrative control the Business Unit functions. The contact particulars of the Zonal Head/ Nodal officer can be obtained from the Business Unit or from Corporate Office/Bank's website).

The customer is welcome to write to Customer Service at the Corporate Office on following address:

The President

Customer Service

J&K Bank, Corporate Headquarters, M.A. Road Srinagar-190 001

E-mail ID: jkbcustomer@jkbmail.com

- vi) Inform the complainant of the option to escalate his/her complaint to the Banking Ombudsman if the complaint is not redressed within the pre-set time or the complainant is not satisfied with the redressal provided by the Bank;
- vii) Place in public domain information about Banking Ombudsman Scheme;
- viii) Display at customer contact points the name and contact details of the Banking Ombudsman under whose jurisdiction the bank's business unit falls. The details of which are also available at www.bankingombudsman.rbi.org.in

Further, the bank will -

- i) Acknowledge all formal complaints (including complaints lodged through electronic means) instantly 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 will be reckoned after all the necessary information sought from the customer is received;
- ii) 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.

However, the Bank shall not be liable to compensate customers for delayed credit (normal Banking transaction) if some unforeseen event including but not limited to civil commotion, sabotage, General strike, accident, fire, 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 that prevents it from performing its obligations within the specified service delivery parameters.

III. Disclosure

The policy shall be available on Bank's Intranet Homepage under policies section as well as on Bank's Website for the information of Customers in compliance to RBI's Master Circular on Customer Services.

IV. Ownership & Review of the Policy

The ownership of the policy shall lie with Customer Service and shall be subject to review.

Annual review of the policy will be put up to the Board for approval. Approved Policy & Guidelines shall remain in force till next review.

In case of exigencies and to be in line with regulatory / statutory guidelines the Chairman / MD is empowered to approve changes / modifications/ amendments/ relaxations/ exemptions, if any, required to be made in the policy and same will be placed before the Board for ratification.

Any guideline(s) issued by Regulator/s with regard to Customer Rights and/ or any other matter dealt with by this Policy shall be deemed to be part & parcel of this policy for operational purpose with immediate effect. A note regarding such directive shall be placed before Board for information.

Annexures

NIL