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BANK OF INDIA **HEAD OFFICE**

Item No P-3 **Customer Rights Policy**

Memorandum no HO/CEBB/MPM/2021-22/507 dated 08.10.2021, together with an annexure, submitted by Customer Excellence Branch Banking Department seeking approval for review of Customer Rights Policy, was considered.

While presenting the memorandum, the General Manager, CEBB submitted that the policy has been cleared by Customer Service Committee in its meeting held on 24.09.2021. After detailed deliberations and further confirmation by General Manager (CEBB) that there has not been any change in Regulatory guidelines, since last review of policy,

IT WAS RESOLVED THAT

APPROVAL be and is hereby accorded for adoption of review of Customer Rights Policy without change/modification, for the reasons and as per the details as brought out in the memorandum.

बैंक ऑफ इंडिया / BANK OF INDIA बोर्ड बैठक Board Meeting 29 OCT 2021 बोर्ड सचिवालय BOARD SECRETARIAT मुंबई / HEAD OFFICE

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Agenda No.	
Date of Meeting	29.10.2021

बैंक ऑफ इंडिया Bank of India BOI

Relationship Beyond Banking

HEAD OFFICE

Customer Excellence Branch Banking Department

MEMORANDUM FOR THE BOARD

	Memo Ref. No. HO:CEBB:MPM:2021-22:507 **Date**: 08.10.2021

Present Reference : Review of Customer Rights Policy

Please Tick (✓) whichever is applicable	
For Approval/Sanction	✓
For Review	
For Renewal	
For Information	
For Confirmation/Ratification	

Board/Board Committees Observations/Directions :	**Sanction /Approval Date:**

Sanction/Approval subject to terms and conditions as brought out in the Memorandum/ Directions of the Committee.

CLEARED FOR PLACING BEFORE THE BOARD

4/11/10/21

Executive Director – Ms. Monika Kalia
Monika
Signature

1/12/10

Managing Director & CEO
Signature

No. of Pages (Including Annexure, if any)	13

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BANKING
प्रधान कार्यालय / HEAD OFFICE

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CUSTOMER EXCELLENCE BRANCH BANKING DEPARTMENT
HEAD OFFICE

Customer Rights Policy

Customer Rights Policy was reviewed without changes/ modification vide our Memorandum No. HO:CEBB:MPM:2021-22:399 dated 02.09.2021. The Customer Service Committee of the Board has accorded its clearance during the meeting held on 24.09.2021 and has directed to submit the memorandum to the Board for approval. Accordingly, the copy of the Customer Rights Policy is kept alongside for your approval, please.

(Amitabh Banerjee)
General Manager

Encl: As above

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BANK OF INDIA HEAD OFFICE

Item No 1 **Review of Customer Rights Policy**

Memorandum no HO/CEBB/MPM/2021-22/399 dated 02.09..2021, together with an annexure, submitted by Customer Excellence Branch Banking Department seeking clearance for review of Customer Rights Policy, was considered.

While presenting the memorandum, the General Manager, CEBB submitted that the Customer Rights Policy had been reviewed without changes/modifications as RBI has not issued any new guidelines on the subject since September, 2020. After detailed deliberations,

IT WAS RESOLVED THAT

CLEARANCE be and is hereby accorded for adoption of review of Customer Rights Policy without change/modification, for the reasons and as per the details as brought out in the memorandum.

The Committee **DIRECTED** that the policy be submitted to the Board for **APPROVAL.**

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प्र. का. मुंबई / H. O. Mumbai
24 SEP 2021
ग्राहक सेवा मूल्यांकन हेतु निदेशकों की समिति
COMMITTEE OF DIRECTORS FOR EVALUATING CUSTOMER SERVICES

BS Board Secretariat (1) CSC (2) 24.09.2021

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Agenda No.	1
Date of Meeting	24.09.2021

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Relationship Beyond Banking

HEAD OFFICE

Customer Excellence Branch Banking Department

MEMORANDUM FOR CUSTOMER SERVICE COMMITTEE OF THE BOARD

Memo Ref. No. HO:CEBB:MPM:2021-22:399
Date: 02.09.2021

Present Reference : Review of Customer Rights Policy

Please Tick (✓) whichever is applicable	
For Approval/Sanction	
For Review	✓
For Renewal	
For Information	
For Confirmation/Ratification	

Board/Board Committees Observations/Directions :	**Sanction /Approval Date:**

Sanction/Approval subject to terms and conditions as brought out in the Memorandum/ Directions of the Committee.

CLEARED FOR PLACING BEFORE THE CUSTOMER SERVICE COMMITTEE OF THE BOARD

Executive Director – Ms. Monika Kalia
Monika
Signature

7/9/21

Managing Director & CEO
Signature

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09/09

No. of Pages (Including Annexure, if any)	10

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बैंक ऑफ इंडिया / BANK OF INDIA बोर्ड बैठक Board Meeting 29 OCT 2021 बोर्ड सचिवालय BOARD SECRETARIAT मुंबई / MUMBAI

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CUSTOMER EXCELLENCE BRANCH BANKING DEPARTMENT
HEAD OFFICE

Customer Rights Policy

Customer Rights Policy was last reviewed and approved by the Board on 23.09.2020. We have now reviewed the policy without any change/ modification to maintain the review calendar, which is kept alongside.

We confirm that –

- The policy is in compliance with RBI guidelines on the issue;
- Since September 2020 RBI has not issued any new guidelines on the subject;
- There has been no observations on the policy in RAR/ any other internal or statutory audit.

Submitted for your clearance, please.

(Amitabh Banerjee)
General Manager

Encl: As above

BANK OF INDIA CUSTOMER EXCELLENCE BR. BANKING HEAD OFFICE

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Annexure

Customer Rights Policy

Introduction:

In today's competitive environment, excellence in customer service is of paramount importance. Induction of new customers and retention of existing customers can only happen if prompt customer service is provided. Apart from qualitative customer service, the Bank should adopt a policy of customer protection, which is an integral aspect of customer confidence and reliability.

In the light of the above, the interest and rights of the customers assume great importance and relationship between both the parties should be cordial, based on mutual trust and transparency. With a view to exhibiting transparency the Bank has drafted 'Customer Rights Policy'. They are fully described in the following policy statements.

Objectives:

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.

Scope:

The policy is based on domestic experience and global best practices brought out to enhance customers' protection. The policy applies to all products and services offered by the Bank or its agents, whether provided across the counter, over phone, by post, through interactive electronic devices, on internet or by any other method. It covers five basic rights of customer such as Right to Fair Treatment, Right to Transparency, Fair and Honest Dealing, Right to Suitability, Right to Privacy and Right to Grievance Redress and Compensation.

1. Right to Fair Treatment

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

In pursuance of the above Right, Bank will –

i) Promote good and fair banking practices by setting minimum standards in all dealings with the customers;

ii) Promote a fair and equitable relationship between the Bank and the customer;

iii) Train bank staff attending to the customers, adequately and appropriately;

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iv) Ensure that staff members attend to customers and their business promptly and courteously. Also provide considerate and sympathetic customer service to the pensioners, especially to those pensioners who are of old age.

v) Treat all customers fairly and not discriminate against any customer on grounds such as gender, age, religion, caste, literacy, economic status, physical ability, etc. 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. 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 Bank wherever required. However, in terms of RBI Circular No. RBI/2017-18/89 DBR.No.Leg.BC.96/ 09.07.005/2017-18 dated 09.11.2017 our Bank has implemented the Doorstep Banking Services for basic banking services to Senior Citizens of more than 70 years of age and Differently Abled or Infirm Persons (having medically certified chronic illness or disability) including those who are Visually Impaired, subject to certain terms and conditions.

vi) Ensure that the above principle is applied while offering all products and services;

vii) Ensure that the products and services offered are in accordance with relevant laws and regulations.

While it shall be the endeavour of the bank to provide the customers with hassle free and fair treatment, bank would expect its customers to behave courteously and honestly in their dealings with the bank.

It shall also be the bank's endeavour to encourage the customers to approach the bank's internal grievance redressal machinery and approach alternate fora after exhausting all the remedies under bank's internal grievance mechanism.

2. Right to Transparency, Fair and Honest Dealing

The Bank 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 Bank, 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 Bank cannot threaten the customer with physical harm, exert undue influence, or engage in blatant harassment.

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In pursuance of the above Right, the bank will –

i) Ensure complete transparency so that the customer can have a better understanding of what he or she can reasonably/ fairly expect from the bank;

ii) Ensure that the bank's dealings with the customer rest on ethical principles of equity, integrity and transparency;

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

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

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

vi) Provide information on interest rates, fees and charges either on the Notice Board in the branches or website or through help-lines/ help-desk/ Call Centre and wherever appropriate, the customer will be informed directly;

vii) Display the tariff Schedule on Bank's website and a copy of it will be made available at every branch for customer's perusal. Also will display in its branches a notice about the availability of the Tariff Schedule at the branch;

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

ix) Inform the customer of any change in the terms and conditions through Bank's web site, a letter or Statement of Account, SMS or email as agreed by the customer at least one month prior to the revised terms and conditions becoming effective;

x) 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 will notify the change within 30 days of such change. If the change is adverse to the customer, prior notice of minimum 30 days will be provided and the customer may be provided options, to close the account or switch to any other eligible account without having to pay the revised charge or interest within 60 days of such notice;

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xi) 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;

xii) Display on public domain the Banks' Policies on Deposits, Cheque Collection, Grievance Redressal, Compensation and Collection of Dues, Security Repossession and Limiting Liability of Customers in unauthorised electronic transactions.

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

xv) Communicate unambiguously the information about —

a. discontinuation of particular products,

b. relocation of offices

c. changes in working hours

d. change in telephone numbers

e. closure of any office or branch

- with advance notice through web site or any other mode of at least 30 days. Also affirm that disclosure of information is an on-going process through the life-cycle of the product/ relationship and will be diligently followed by them. 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;

xvi) 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;

xvii) The bank's staff members shall, when approached by the customer for availing a product or service, provide all relevant information related to the product/ service 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;

xviii) Not terminate a customer relationship without giving reasonable or contractual prior notice to the customer;

xix) Assist the customer in all available ways for managing his/her account, financial relationship by providing regular inputs in the bank's realms such

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as account statements/passbooks, alerts, timely information about the product's performance, term deposits maturity etc.;

xx) Ensure that all marketing and promotional material is clear and not misleading;

xxi) 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.

xxii) Ensure that the fees and charges on products/ services and its structure are as per the prevailing banking norms and specific risk appetite.

xxiii) Our Bank is a member of the Banking Codes and Standard Board of India (BCSBI) as authorised by the Board of our Bank. Our Bank has adopted both the codes of BCSBI viz. Code of Bank's Commitment to Customers and Code of Bank's Commitment ot Micro and Small Enterprises (MSEs). These are Code of Customer Rights, which sets minimum standards of banking practices we will follow as a member of BCSBI while dealing with individual customers. They provide protection to customers and explain how our Bank is required to deal with customers in its day-to-day operations.

The Codes do not replace or supersede regulatory or supervisory instructions of the Reserve Bank of India and we will comply with such instructions/ directions issued by RBI from time to time. The Codes of BCSBI are displayed on website of our Bank.

xxiv) In case of any unauthorised electronic transaction in the account of the customer, Bank will compensate the customer as per the Bank's Customer Protection Policy and upon reporting of the same by the customer, take immediate steps to prevent further loss due to unauthorised transactions in the account.

3. Right to Suitability

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

In pursuance of the above Right, the bank will –

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

ii) 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 will be appropriately documented in its records.

iii) Sell third party products only if it is authorized to do so, after putting in place a Board approved policy for marketing and distributing third party financial products;

iv) Not compel a customer to subscribe to any third party products as a quid-pro-quo for any service availed from the bank;

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

vi) 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.

4. Right to Privacy

Customers' personal information should be kept confidential unless they have offered specific consent to the Bank or such information is required to be provided under the law or it is provided for a mandated business purpose (for example, to credit information companies). The customer should be informed upfront about likely mandated business purposes. Customers have the right to protection from all kinds of communications, electronic or otherwise, which infringe upon Bank's privacy.

In pursuance of the above Right, bank will –

i) Treat customer's personal information as private and confidential (even when the customer is no longer banking with us), and, as a general rule, not disclose such information to any other individual/institutions including it's subsidiaries/ associates, tie-up institutions etc. for any purpose unless

   a. The customer has authorized such disclosure explicitly in writing;
   b. Disclosure is compelled by law/ regulation;
   c. Bank has a duty to the public to disclose i.e. in public interest;
   d. Bank has to protect its interests through disclosure;
   e. It is for a regulatory mandated business purpose such as disclosure of default to credit information companies or debt collection agencies.

ii) Ensure such likely mandated disclosures be communicated immediately to the customer in writing.

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

iv) 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.

BANK OF INDIA CUSTOMER EXCELLENCE DR. BANKING HEAD OFFICE

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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 provider should 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 policy must lay out the rights and duties of the customer when such events occur.

(a) 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;

iv) compensate the customer for any direct financial loss that might have been incurred by the customer due to its lapses.

(b) The bank will also –

i) Place in public domain its Customer 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;

vi) 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;

vii) Inform the complainant of the option to escalate his complaint to the Banking Ombudsman/ Ombudsman for Digital Transactions as the case may be, if the complaint is not redressed within the pre-set time;

viii) Place in public domain information about Banking Ombudsman;

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

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(c) Further, the bank will –

i) Acknowledge all formal complaints (including complaints lodged through electronic means) within three working days and work to resolve it within two weeks, but not exceeding 30 days (including the time for escalation and examination of the complaint by the highest ranking internal official responsible for grievance redressal/ Internal Ombudsman). The 30 days period will be reckoned after all the necessary information sought from the customer, is received and the fresh timeline will be informed to the complainant;

ii) Provide aggrieved customers with the details of the Banking Ombudsman 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;

(d) In addition, the bank will –

i) 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 will 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.).

ii) 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)

Monitoring and Oversight Mechanism:

Effective implementation and monitoring of the Customers' Rights Policy is the responsibility of the branches and controlling authorities i.e. Zones/ NBGs/ Head Office.

Periodicity of Review: Frequency of the review of the policy will be one year. However, the policy will be reviewed before the expiry date if there is any change in the guidelines issued by RBI or the Bank during the operative period.

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BANK OF INDIA BOARD SECRETARIAT 29 OCT 2021

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HEAD OFFICE
CUSTOMER EXCELLENCE BRANCH BANKING DEPARTMENT

Executive Summery

Sr. No.	New/ Review	Name of the Policy	Points added/ modified in the existing policy
1	Review	Customer Rights Policy	No Change