

## **TERMS AND CONDITIONS GOVERNING UNIFIED PAYMENTS INTERFACE (UPI) SERVICES OF THE NATIONAL PAYMENT CORPORATION OF INDIA (NPCI).**

These terms and conditions ("Terms") shall apply to and regulate the provision of UPI fund transfer and fund collection facility provided by Equitas Small Finance Bank Limited (ESFB), a banking company incorporated under the Companies Act, 1956, carrying the business of banking under the Banking Regulation Act, 1949 and having its Registered Office at 4th Floor, Phase II, Spencer Plaza, 769, Anna Salai, Chennai – 600 002. ESFB shall endeavour to provide to the Customer, UPI Facility in accordance with the UPI guidelines, circulars and/or regulations issued by the Reserve Bank of India ("RBI") and/or National Payments Corporation of India ("NPCI") from time to time ("Guidelines"), subject to the terms and conditions herein specified.

### **Definitions**

In this document, the following words and phrases, shall have the meaning, unless the context indicates otherwise:

"Account(s)" refers to the resident Indian savings and /or current bank account(s) held and maintained with ESFB or resident savings and/or current account held with any bank in India, to be used for carrying out transactions through the UPI Facility.

"Customer" means the applicant/remitter availing of the UPI Facility through his/her/its Account(s).

"Merchant/s" shall mean and include online, mobile-app based and offline merchants, who sell goods and services in exchange for payment through UPI.

"NPCI UPI System" means the switch and related equipment and software owned by NPCI to provide the UPI based fund transfer and funds collection facility including the National Financial Switch;

"Payment Order" means an unconditional instruction issued by the Customer in writing or transmitted electronically to ESFB either through ESFB's internet banking facility or short message service (SMS) or unstructured supplementary service data (USSD) or interactive voice recording services provided by ESFB or Mobile application of ESFB through such other means as provided by ESFB, to effect a fund transfer for a certain sum of money expressed in Indian rupees, to the designated account of a designated beneficiary by debiting Account(s) of the Customer.

"PSP (Payment Service Provider)" refers to banks which are allowed to acquire Customers and provide payment (credit/debit) services to Customers.

"UPI " refers to the Unified Payments Interface Service offered by NPCI in collaboration with its member banks.

"UPI Facility" means the Unified Payments Interface Service based electronic fund transfer and fund collection facility provided by ESFB to its Customers through the NPCI UPI System as per the Guidelines.

As a PSP, ESFB will provide a mobile application to the customers, who will use the NPCI UPI libraries facilitating payments. The PSP mobile application can be used by ESFB 's customers or other bank's customers to transact using their bank account after a one-time registration process.

B. Words or expressions used in this form, but not specifically defined herein shall have the respective meanings assigned to them by NPCI.

### **Applicability of Terms**

Each Customer desirous of availing the UPI Facility, shall by way of a one-time registration, in such form, manner and substance as ESFB may prescribe, apply for UPI Facility and ESFB shall be entitled, at its sole discretion, to accept or reject such applications. Customer will have an option to set a virtual payment address and start transaction via UPI. Customer can link other bank accounts through a one-time registration process defined and standardized by NPCI and then start transacting using the facility. By applying for and accessing the UPI Facility, the Customer accepts these Terms, which shall govern the provision of the UPI Facility by ESFB. The Terms shall be in addition to and not in derogation of the Guidelines issued from time to time either by ESFB or NPCI or such other authority.

The Customer hereby acknowledges that the Customer has read and understood the Guidelines of ESFB and NPCI and agrees that the rights and obligations provided therein and in these Terms in so far as it relates to the Customer shall be binding on the Customer with regard to every Payment Order issued by him/her/it for execution in the NPCI UPI System. The Customer understands and agrees that nothing in terms of availing of the UPI Facility shall be construed as creating any contractual or other rights against NPCI, ESFB or any participant in the NPCI UPI System. Notwithstanding anything contained herein, all the terms and conditions stipulated by ESFB in connection with the Accounts shall continue to apply.

### **Scope of the UPI Facility**

UPI Facility offers an instant, 24X7, interbank electronic fund transfer or fund collection service to the customers of UPI member banks. Customer can put in request for fund transfers or funds collection or respond to funds collection from Mobile PSP mobile banking channels in a secure manner for any of their linked bank Accounts. As a PSP, ESFB will provide a mobile application to the customers to enable them to use the NPCI UPI libraries facilitating payments. The PSP mobile application can be used by Customer(s) to transact on Account(s) after a one-time registration process.

### **Rights and Obligations of the Customer**

(i) Customer shall be entitled, subject to other terms and conditions governing the service, to issue Payment Orders for execution by ESFB.

(ii) The Payment Order shall be issued by the Customer, in the form as prescribed by ESFB, which shall be complete in all particulars. The Customer shall be responsible for any inaccurate or false particulars given in the Payment Order for UPI Facility and shall be liable to compensate ESFB for any loss arising on account of any false information or error in the Payment Order. (iii) The Customer shall be bound by any Payment Order executed by ESFB, as ESFB executes the Payment Order in accordance with and in compliance to the instructions provided by the Customer.

(iv) Customer authorizes ESFB to act as a PSP and debit Account(s) as per instructions received by way of Payment Orders from him/her/it. Customer understands that although multiple bank accounts can be linked with the UPI Facility, debit/credit transactions can be done only from the default account. Customer may change the default account before initiating such debit/credit transactions. Each Account that may be linked with the UPI facility can be opened with a separate username.

(v) Customer shall ensure availability of funds in his/her/its Account(s) towards the fulfilment of the Payment Order before/at the time of the execution of the Payment Order by ESFB. Customer hereby authorizes ESFB to debit the Account(s) of the Customer for any liability incurred by ESFB on behalf of the Customer in the execution of the instruction issued by the Customer. Customer understands and agrees that once a fund collection request is accepted, the default account will automatically be credited with such amounts as may be mentioned in the fund collection request. Customer understands and agrees that such amounts once credited to default account cannot be reversed by the Customer nor by ESFB.

(vi) Customer agrees that the Payment Order shall become irrevocable when it is executed by ESFB.

(vii) Customer agrees that he shall not be entitled to make any claim against RBI, NPCI and ESFB in respect to the UPI Facility.

(viii) Customer agrees that in the event of any delay in the completion of the funds transfer or any loss on account of error in the execution of the funds transfer pursuant to a Payment Order attributable to error, negligence or fraud on the part of any employee of ESFB, the latter's liability shall be limited to the extent of payment of interest at the Call Money Rate as published by the RBI on a daily basis for any period of delay in the case of delayed payment and refund of the amount together with interest at the Call Money Rate (as on the date of the complaint lodged by the Customer) upto the date of refund.

(ix) Customer shall provide correct beneficiary details to ESFB at the time of availing the UPI Facility. Customer shall be solely responsible for the details provided under the Payment Order or entering wrong beneficiary details like incorrect Virtual Payment Address, incorrect Aadhar number or incorrect mobile number, as a result of which, the fund gets transferred to an incorrect beneficiary.

(x) Customer shall not hold ESFB responsible for any damage, claim, issue arising out or in connection with any purchase of goods/services from merchants through Payment Orders issued through UPI Facility. Customer understands and agrees that all such losses, damages and issues shall constitute a claim against such merchants alone.

(xi) Customer agrees that the UPI Facility are offered in line with the RBI's and NPCI guidelines on mobile banking, which are subject to change from time to time.

(xi) Customer shall inform ESFB immediately of any inquiry, question or issue raised by any authority including but not limited to any statutory authority or official regarding and relating to ESFB and expeditiously notify ESFB of any show causes, seizure or like action and provide copies of any notices, memos, correspondences received from such authority. Customer shall not unilaterally file any response / reply to such an authority without the prior approval of ESFB.

(xii) Customer shall be solely liable for ensuring availability of sufficient funds in the Account(s) at all times for the purpose of availing the Facility. Customer agrees that if he/she/it fails to provide funds sufficient to carry out the transaction, ESFB shall decline the transaction instruction without any reference to him/her/it.

### **Rights and obligations of Equitas Small Finance Bank**

(i) ESFB shall execute a Payment Order issued and duly authorised by the Customer , unless: (a) the funds available in the Account(s) of the Customer are not adequate or funds are not properly

applicable/available to comply with the Payment Order (b) the Payment Order is incomplete or it is not issued in the agreed form, (d)ESFB has reason to believe that the Payment Order is issued to carry out an unlawful transaction or (e) Payment Order cannot be executed under the NPCI UPI System.

(ii) No Payment Order issued by the Customer shall be binding on ESFB until it has accepted it.

(iii) ESFB shall, for execution of every Payment Order, be entitled to debit the designated Account(s) of the Customer, with the amount of the funds to be transferred together with charges payable thereon.

(iv) A duly authenticated record of the transaction after completion of the funds transfer or funds collection or response to a funds collect request will be recorded in the statement of account in the mobile application of ESFB. The transaction will also be recorded in the statement of account given to the Customer by the Customer's bank. Customer shall, within a period of ten days from the date of receipt of the monthly statement report to ESFB any discrepancy in the execution of the Payment Order. The Customer agrees that he shall not be entitled to dispute the correctness of the execution of the Payment Order or the amount debited to his/her/its Account(s), if he fails to report the discrepancy within the said period.

(v) ESFB for providing the UPI Facility to the Customer shall follow the process prescribed by NPCI in this regard including but not limited to process for settling of timed out transactions within the time limit prescribed by NPCI.

### **Instructions**

The Customer is responsible for the accuracy and authenticity of the instructions provided to ESFB and the same shall be in the form and manner prescribed by ESFB and only such instruction shall be considered to be sufficient to operate the UPI Facility. ESFB shall not be required to independently verify the instructions. ESFB has no liability if it does not or is unable to stop or prevent the implementation of any Payment Order issued by the Customer. Once a Payment Order is issued by the Customer the same cannot be subsequently revoked by the Customer.

ESFB states that it has no liability or obligation to keep a record of the instructions to provide information to the Customer or for verifying the instructions. ESFB shall refuse to comply with the instructions without assigning any reason and shall not be under any obligation to assess the correctness, prudence or otherwise of any instruction. ESFB has the right to suspend the transactions with respect to the UPI Facility if it has reason to believe that the Customer's instructions will lead to or expose ESFB to direct or indirect loss or may require an indemnity from the Customer before permitting him/her/it to continue to operate the UPI Facility.

All instructions, requests, directives, orders, directions, entered by the Customer, are based upon the Customer's decisions and are the sole responsibility of the Customer.

### **Sharing of Information**

The Customer irrevocably and unconditionally authorises ESFB to access all the Customer's Account(s) and records for the purpose of providing the UPI Facility. The Customer agrees that ESFB and its affiliates (or their contractors) may hold and process its personal information and all other information concerning its Account(s) on computer or otherwise in connection with the UPI Facility as well as for analysis, credit scoring and marketing.

## **Disclaimer of Liability**

ESFB does not hold out any warranty and makes no representation about the quality of the UPI Facility. The Customer agrees and acknowledges that ESFB shall not be liable and shall in no way be held responsible for any damages whatsoever whether such damages are direct, indirect, incidental or consequential and irrespective of whether any claim is based on loss of revenue, interruption of business, transaction carried out by the Customer and processed by ESFB, information provided or disclosed by ESFB regarding Customer's Account(s) or any loss of any character or nature whatsoever and whether sustained by the Customer or by any other person. While ESFB shall endeavour to promptly execute and process the transactions as proposed to be made by the Customer, ESFB shall not be responsible for any non-response or delay in responding due to any reason whatsoever, including due to failure of operational systems or any requirement of law. ESFB shall not be liable for any loss, claim or damage suffered by the Customer and/or any other third party arising out of or resulting from failure of an UPI transaction on account of time out transaction i.e. where no response is received from NPCI or the beneficiary bank to the transaction request and/or where mobile number or account number of the beneficiary does not exist. Further, ESFB shall also not be liable for any loss, damage and/or claim arising out of or resulting from wrong beneficiary details, mobile number and/or account details being provided by the Customer. Neither ESFB nor its affiliates, directors, officers and/or agents shall be liable for any unauthorized persons accessing the records or Account(s) or information through the use of UPI Facility and the Customer hereby fully indemnifies and holds ESFB, its affiliates, directors and officers harmless against any action, suit, proceeding initiated against it or any loss, cost or damage incurred by it as a result thereof. ESFB, shall under, no circumstance, be held liable by a Customer, if UPI Facility access is not available in the desired manner for reasons including but not limited to natural calamities, legal restraints, faults in the telecommunication network or network failure, or any other reason beyond the control of ESFB. Illegal or improper use of the UPI Facility shall render the Customer liable for payment of financial charges (to be decided by ESFB) or may result in suspension of the UPI Facility to the Customer. All the records of ESFB generated by the transactions arising out of the use of the UPI Facility, including the time the transaction is recorded shall be conclusive proof of the genuineness and accuracy of the transaction. For the protection of both the parties, and as a tool to correct misunderstandings, the Customer understands, agrees and authorises ESFB, at its discretion, and without further prior notice to the Customer, to monitor and record any or all telephone conversations between the Customer/users and ESFB and any of its employees or agents. ESFB expressly disclaims all warranties of any kind, whether express or implied or statutory, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose, data accuracy and completeness, and any warranties relating to non-infringement in the UPI Facility.

## **Indemnity**

The Customer agrees, at its own expense, to indemnify, defend and hold harmless ESFB, its directors and employees, representatives, agents, and its affiliates against any claim, suit, action or other proceeding brought against ESFB, its affiliates, directors and employees, representatives or agents by any party, to the extent that such claim, suit, action or other proceeding brought against ESFB, its affiliates, directors and employees, representatives or agents is based on or arises in connection with the use of the UPI Facility with reference to :

(i) A violation of the Terms by the Customer;

(ii) Any deletions, additions, insertions or alterations to, or any unauthorized use of, the UPI Facility by the Customer;

(iii) Any misrepresentation or breach of representation or warranty made by the Customer contained herein;

(iv) Any breach of any covenant or obligation to be performed by the Customer hereunder;

The Customer agrees to pay any and all costs, damages and expenses, including, but not limited to, reasonable attorneys' fees and costs awarded against it or otherwise incurred by or in connection with or arising from any such claim, suit, action or proceeding attributable to any such claim. Without prejudice to the indemnity by the customer as above, the Customer hereby agrees that under no circumstances, ESFB's aggregate liability for claims relating to the UPI Facility, whether for breach or in tort including but not limited to negligence shall be limited to the transaction charges/fees or consideration paid by the Customer within the previous twelve (12) months for the UPI Facility, excluding any amount paid towards transactions.

### **Assignment**

ESFB shall be entitled to sell, assign, securitise or transfer its rights and obligations under these Terms and any security in favour of ESFB (including all guarantee/s) to any person of its choice in whole or in part and in such manner and on such terms and conditions as ESFB may decide without any reference to the Customer. Any such sale, assignment, securitisation or transfer shall conclusively bind the Customer and all other persons. The Customer, its successors and assigns are bound by these Terms. However, the Customer shall not be entitled to transfer or assign any of its rights and obligations under these Terms.

### **Charges to Cardholders**

Merchant shall not attempt to recover the amount provided by it to the Bank as discount, from its Customers, by increasing the price of goods/services availed from it by the customer, levy any contemporaneous finance charge to the transaction for which the Card is used etc.,. If at any stage it is found by the Bank that the merchant is indulging in such levy, Bank reserves it right to terminate the relationship with the merchant.

### **Termination**

The Customer may request for termination of the UPI Facility any time by giving a prior written notice of at least 15 days to ESFB. The Customer will remain responsible for all the transactions made through the UPI Facility until the time of such termination. ESFB may withdraw or terminate the UPI Facility anytime either entirely or with reference to a specific UPI Facility without assigning any reasons whatsoever. ESFB may suspend or terminate the UPI Facility without prior notice if the Customer has breached any of the Terms herein.

**General Conditions**

The laws of India shall govern these terms and conditions and/or the operations in the Account(s) maintained with ESFB. Any legal action or proceedings arising out of these Terms shall be brought in the courts or tribunals at Chennai, India. ESFB may, however, in its absolute discretion commence any legal action or proceedings arising out of these Terms in any other court, tribunal or other appropriate forum, and the Customer hereby consents to that jurisdiction. The clause headings in this Terms are only for convenience and do not affect the meaning of the relative clause. ESFB may sub-contract and employ agents to carry out any of its obligations hereunder. ESFB may transfer or assign its rights and obligations under this contract to any other entity. ESFB has the absolute discretion to amend or supplement any of the Terms as stated herein at any time and will endeavour to give prior notice of fifteen days for such changes wherever feasible. By using the new services, the Customer shall be deemed to have accepted the changed terms and conditions. Notices under these Terms may be given in writing by delivering them by hand or on ESFB's website [www.equitasbank.com](http://www.equitasbank.com) or by sending by post to the last address given by the Customer and in the case of ESFB to its Registered Address as stated above. In addition, ESFB may also publish notices of general nature, which are applicable to all Customers in a newspaper or on its website at [www.equitasbank.com](http://www.equitasbank.com). Such notices will have the same effect as a notice served individually to each Customer. Notice and instructions shall be deemed served 7 days after posting or upon receipt in the case of hand delivery, cable, telex or facsimile. Any provision of these Terms, which is prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but shall not invalidate the remaining provisions of these Terms or affect such provision in any other jurisdiction. ESFB shall have the right of set-off and lien, irrespective of any other lien or charge, present as well as future on the deposits held in the Account(s) to the extent of all outstanding dues, whatsoever, arising as a result of the UPI Facility extended to and/or used by the Customer.