



TOUCAN

**Payment Services Operations –
Governance – Customer
Protection & Dispute Redressal**



Document History

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1. Objectives

- Protect the interests of customers using the payment aggregator's services.
- Ensure timely and effective resolution of disputes related to payment transactions.
- Foster transparency, accountability, and trust in the payment system.

2. Scope

- Applicable to all customers (merchants and end-users) using the payment aggregator's services.
- Covers disputes related to failed transactions, delayed settlements, unauthorized payments, service quality, and chargebacks.

3. Key Principles

1. Transparency:

- Clearly communicate fees, terms, and conditions to customers.
- Provide access to transaction details and dispute status.

2. Timeliness:

- Ensure disputes are resolved within defined timelines as per regulatory guidelines.

3. Accessibility:

- Offer multiple channels for lodging complaints (email, phone, chat, website).

4. Fairness:

- Ensure impartial handling of disputes without bias towards any party.

5. Confidentiality:

- Safeguard customer data during the grievance redressal process.

4. Customer Protection Measures

A. Secure Transactions

- Implement **end-to-end encryption** and **tokenization** for payment data.
- Ensure strong authentication mechanisms such as **multi-factor authentication (MFA)**.



B. Transaction Transparency

- Provide real-time notifications for payment status (e.g., successful, failed, or pending).
- Offer detailed receipts for each transaction, including transaction ID, timestamp, and amount.

C. Fraud Detection and Prevention

- Educate customers about secure payment practices and fraud prevention tips.

D. Liability Framework

- Clearly define liability in case of unauthorized transactions, based on RBI guidelines:
 - Zero liability for customers if the issue is reported within **three working days** of the incident.
 - Limited liability if reported after three but within seven working days.

5. Dispute Redressal Framework

A. Dispute Reporting Channels

- Provide multiple dispute reporting channels:
 - **Customer Support Helpline:** Available 24/7 for urgent issues.
 - **Online Complaint Portal:** Accessible via the company website or mobile app.
 - **Email Support:** For detailed complaints with supporting documentation.

B. Dispute Categories

- **Failed Transactions:** Payments debited but not credited to the intended recipient.
- **Delayed Settlements:** Merchant settlements not processed within agreed timelines.
- **Unauthorized Transactions:** Payments initiated without the customer's consent.
- **Service Complaints:** Issues related to system downtime, incorrect charges, or other service failures.

C. Resolution Timelines

- **Failed Transactions:** Refund processed within **T+5 working days**.
- **Unauthorized Transactions:** Investigation completed within **10 working days**, and resolution provided as per liability framework.
- **Service Complaints:** Resolution provided within **15 working days** of complaint registration.



D. Escalation Matrix

1. **Level 1:** Customer Support Team handles initial complaints.
2. **Level 2:** If unresolved, complaints are escalated to the **Nodal Officer**.
3. **Level 3:** Further unresolved complaints can be escalated to the **Grievance Redressal Officer (GRO)**.
4. **Level 4:** If still unresolved, customers may approach the **Reserve Bank of India (RBI) Ombudsman**.

6. Grievance Monitoring and Reporting

- Maintain a centralized grievance management system to track all complaints and disputes.
- Submit periodic grievance reports to the **Risk Management Committee** and **RBI**, including:
 - Total complaints received.
 - Resolution status and timelines.
 - Nature of disputes and trends.

7. Customer Communication

- Provide regular updates to customers on the status of their complaints via SMS, email, or online portals.
- Maintain a **Frequently Asked Questions (FAQ)** section to address common queries about disputes and complaints.

8. Audit and Review

- Conduct annual audits of the dispute redressal process to ensure compliance with RBI guidelines and internal policies.
- Regularly update the dispute resolution framework based on feedback and evolving regulatory requirements.



9. Awareness and Training

- **Customer Awareness:**
 - Educate customers about secure payment practices, dispute reporting procedures, and escalation mechanisms.
 - Run awareness campaigns on liability protection and timelines for reporting unauthorized transactions.
- **Employee Training:**
 - Train customer support and dispute resolution teams on RBI guidelines, internal processes, and customer handling techniques.

10. Policy Governance

- This policy is reviewed and approved by the **Board of Directors (BoD)** annually.
- Updates to the policy are communicated to all stakeholders, including employees, customers, and regulatory bodies.