

# ANNEXURE I

## GRIEVANCE REDRESSAL POLICY OF THE BANK

### 1. Introduction

In the present scenario of competitive banking, excellence in customer service is the most important tool for sustained business growth. Customer complaints are part of the business life of any corporate entity. This is more so for Banks because Banks are service organizations. As a service organization, customer service and customer satisfaction should be the prime concern of any bank. The bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones. This policy document aims at minimizing instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of customer complaints and grievances. The review mechanism should help in identifying shortcomings in product features and service delivery. Customer dissatisfaction would spoil bank's name and image. The bank's policy on grievance redressal follows the under noted principles.

- Customers be treated fairly at all times
- Complaints raised by customers are dealt with courtesy and on time
- Customers are fully informed of avenues to escalate their complaints/grievances within the organization and their rights to alternative remedy, if they are not fully satisfied with the response of the bank to their complaints.
- Bank will treat all complaints efficiently and fairly as they can damage the bank's reputation and business if handled otherwise.
- The bank employees must work in good faith and without prejudice to the interests of the customer.

If the customers' complaint in writing is received, the Bank will endeavour to send an acknowledgement/a response within a week. If complaint is received over phone at the designated Help Desk or Customer Service No., Bank shall provide customer a complaint reference number and keep customer informed of the progress within a reasonable period of time. After examining the matter Bank will send customer Bank's final response / explain why Bank need more time to respond and shall endeavour to do so within 30 days of receipt of complaint.

In order to make bank's redressal mechanism more meaningful and effective, a structured system needs to be built up towards such end. Such system will ensure that the redressal sought is just and fair and is permissible within the given framework of rules and regulation. The policy document will be made available at all branches. The employees concerned should be made aware about the complaint handling process.

### 1.1 The customer complaint arises due to:

- a. The attitudinal aspects in dealing with customers
- b. Inadequacy of the functions/arrangements made available to the customers or gaps in standards of services expected and actual services rendered. The customer is having full rights to register his complaint if he is not satisfied with the services provided by the bank.

## **2. Internal Machinery to handle Customer complaints/ grievances**

### **2.1 Customer Service Committee of the Board**

This sub-committee of the Board will be responsible for formulation of a Comprehensive Deposit Policy incorporating the issues such as the treatment of death of a depositor for operations of his account, the product approval process and the annual survey of depositor satisfaction and the triennial audit of such services. The Committee will also examine any other issues having a bearing on the quality of customer service rendered. This Committee will also review the functioning of standing committee on customer service.

### **2.2 Standing Committee on Customer Service**

The Chairman of the bank will chair the Standing Committee on Customer Service. Besides two to three senior executives of the bank, the committee will also have two to three eminent non-executives drawn from the public as members. The committee will have the following functions.

- Evaluate feedback on quality of customer service received from various quarters. The committee will also review comments/feed-back on customer service and implementation of commitments in the Code of Bank's Commitments to Customers received from BCSBI.
- The Committee will be responsible to ensure that all regulatory instructions regarding customer service are followed by the bank. Towards this, the committee will obtain necessary feedback from regional managers/ functional heads.
- The Committee will also consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice.
- The committee will submit report on its performance to the customer service committee of the board at quarterly intervals.

### **2.3 Nodal Officer and other designated officials to handle complaints and grievances.**

Bank should appoint a Nodal Officer of the rank of Chief Manager (or its equivalent) who will be responsible for the implementation of customer service and complaints handling for the entire bank. All Regional Heads at the Regional Offices will act as Regional Nodal Officers.

Besides the above, Bank will designate one officer at each Regional Office to act as Customers Relationship Manager to handle customer grievances at Regional level.

The names & contact details of Nodal Officers as well as of the Ombudsman under whose jurisdiction the branch falls, will be displayed in Branch's Notice Board.

## **3. Mandatory display requirements**

It is mandatory for the bank to provide;

- Appropriate arrangement for receiving complaints and suggestions.
- The name, address and contact number of Nodal Officer(s) and Code Compliance Officer at each Controlling Office.
- Contact details of Banking Ombudsman of the area
- Code of bank's commitments to customers/Fair Practice code

## **4. Resolution of Grievances**

### **4.1 Recourses available to aggrieved customer.**

Aggrieved customers can raise complaints directly within the organization verbally, over phone, by using Bank's e-mail or in writing. Complaints can also be received through Government Authorities, RBI, NABARD and other sources. Appropriate arrangement for receiving/acknowledging complaints shall be provided.

- A) To receive complaints Complaint/suggestion box will be placed in a prominent place inside the branch/office of the bank. Further a notice at each of the branch will be displayed requesting the customers to meet the branch manager in case he/she has any grievance.
- B) For receiving telephonic complaints, Designated Help Desk or Customer Service number shall be provided. Complaints will be acknowledged by providing Complaint Reference number.
- C) Customers in particular and public in general can also use Bank's e-mail, made available in the official website to register their complaints in a structured format which will automatically generate a Complaint Reference number.
- D) Besides customers can make written complaints directly at the branches or at any of its offices which will be entered in complaint register designed (with perforated copies in each set) to provide instant acknowledgement to the customer and an intimation to controlling office. Separate register will be maintained for complaints received through Government, RBI, NABARD, Head Office and other similar sources. A copy of the complaint will be forwarded to the concerned controlling office of the Bank along with the remark of the Branch Manager within the time frame.

### **4.2 Grievance Redressal Process**

The first point of redressal will be the branch/office where the grievance arises. The customer if not satisfied with the service provided by the desk officer/employee or the officer in charge of operations at the branches can approach the head of the branch or office for redressal. If the grievance remains unresolved after discussion with the branch manager or the head of the office, the customer will have the option to record his/her complaint in writing or by using the online grievance redressal mechanism available in official website of the Bank. He may also make telephonic complaints to the designated Helpdesk or customer service number. Instant acknowledgement of the complaint will be provided to the customer by the branch or office where written complaint is received. Online/telephonic complaint will also be acknowledged by complaint reference number. The customer can also use the complaint box to submit written complaints. The complaint box will be opened and be checked every day. Any complaint submitted in the box will be entered in the complaint register. Acknowledgement of such complaints will be sent by Post to the customer in his recorded address.

The branch/office will resolve the issue within 7(seven) days from the date of receipt of the complaint. A written communication regarding redressal of his grievance will be sent to the customer with intimation to the controlling office. E-mail communication about the redressal of complaints made through e-mail will also be sent to the complainants quoting the complaint reference number. Also in cases where telephone/mobile number and e-mail address of the complainant is available in the complaint letter, it will be immediately taken up for redressal by contacting the customer within the next working day as part of the grievance redressal mechanism.

The customers can also approach the controlling authority regarding their grievance. The name, address, e-mail address and telephone number of the controlling authority will be displayed in the notice board at each branch /office prominently. The name of the principal nodal officer of the Bank, the Regional Nodal officer and the customer relation

officer at the Regional Office for complaint redressal with address and telephone number will be displayed in the notice board.

Bank will also display on its web-site, the names, telephone numbers and other details of the officials at Head Office and Regional Offices who can be contacted for redressal of complaints including the names of the Nodal Officers and Principal Nodal Officers. The name and address of the Banking Ombudsman will also be displayed in the notice board of the Branch/office.

Branch Manager is responsible for the resolution of complaints/grievances in respect of customer's service by the branch. He will be responsible for ensuring closure of all complaints received at the branches. It is his foremost duty to see that the complaint is resolved completely to the customer's satisfaction and if the customer is not satisfied, then he will be provided with alternate avenues to escalate the issue. If the branch manager feels that it is not possible at his level to solve the problem, he will refer the case to Regional Office for guidance. Similarly, if Regional office finds that they are not able to solve the problem; such cases will be referred to the Nodal Officer at Head Office.

#### **4.3 Time frame for resolution of complaint/grievance**

Complaint has to be seen in the right perspective because they indirectly reveal a weak spot in the working of the bank. Complaint received will be analyzed from all possible angles. Specific time schedule will be set up for handling complaints and disposing them at all levels including Branches, Regional and Head Office. Branch Manager will try to resolve the complaint within specified time frame, decided by the Bank.

Communication of bank's stand on any issue to the customer is a vital requirement. Complaints received, which would require some time for examination of issues involved, will invariably be acknowledged promptly.

Branch and Regional office must send action taken report on complaints received to the head office at the end of every month. The existing time frame for grievance redressal is as under:

- A) Branch level functionary will endeavour to resolve the issue within 7(seven) days from the date of receipt of the complaint.
- B) The Regional office shall endeavour to resolve the complaint received at their end within 15(fifteen) days from the date of receipt of the complaint
- C) At Head Office level, the complaint will be disposed of within 21(twenty one) days from the date of receipt of the complaint at their end
- D) Unresolved complaints are to be referred from Branch to Regional Office / Regional Office to Head Office , so that all complaints are resolved within 21 days from the date of their receipt
- E) Pending grievances referred by the functional heads responsible for redressal of grievance would be considered by the standing committee on customer service which will offer its advice.

The complainants may approach Banking Ombudsman or can take recourse to available legal avenues only if the complaint is not resolved at the Bank level within the given time of one month.

Where the complaints are not redressed within one month, the concerned Branch/ Controlling Office will forward a copy of the same to the concerned Nodal Officer under the Banking Ombudsman Scheme and keep him updated regarding the status of the complaint. This will enable the Nodal Officer to deal with any reference received from the Banking Ombudsman regarding the complaint more effectively. Further, the customer will be made aware of his rights to

approach the concerned Banking Ombudsman in case he is not satisfied with the Bank's response. As such, in the final letter sent to the customer regarding redressal of the complaint, Bank will indicate that the complainant can also approach the concerned Banking Ombudsman. The name, address and other details of the concerned Banking Ombudsman will be included in the letter.

The complaint form also will indicate that the first point for redressal of complaints is the Bank itself and that complainants may approach the Banking Ombudsman only if the complaint is not resolved at the bank level within a month.

After detailed examination of the complaints / grievances of customers of the Bank and after perusal of the comments of the Bank, the Banking Ombudsman issue their awards in respect of individual complaints to redress the grievances. The Bank will ensure that the Awards of the Banking Ombudsmen are implemented expeditiously.

Besides the bank also has put in place its customer compensation policy, whereby the Bank compensates its customers for any financial loss that may be incurred due to any deficiency in service attributable to the Bank. By this policy the Bank has ensured that the customer is compensated for the losses incurred without even asking for it. The policy is based on principles of transparency and fairness in the treatment of customers.

## **5. Interaction with customers**

The bank recognizes that customer's expectation/requirement/grievances can be better appreciated through personal interaction with customers by bank's staff. Structured customer meets, say once in a month will give a message to the customers that the bank cares for them and values their feedback/suggestions for improvement in customer service. Many of the complaints arise on account of lack of awareness among customers about bank services and such interactions will help the customers appreciate banking services better. As for the bank the feedback from customers would be valuable input for revising its product and services to meet customer requirements.

## **6. Sensitizing operating staff on handling complaints**

Staff shall be properly trained for handling complaints. We are dealing with people and hence difference of opinion and areas of friction can arise. With an open mind and a smile on the face we shall be able to win the customer's confidence. Imparting soft skills required for handling irate customers is to be made an integral part of training programmes. It will be the responsibility of the Nodal Officer to ensure that internal machinery for handling complaints/grievances operates smoothly and efficiently at all levels. He will give feedback on training needs of staff at various levels to the Human Resource Department.