

Grievance Redressal Policy

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 are 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.

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 would ensure that the redressal sought is just and fair within the given framework of rules and regulation. The policy document would be made available at all branches. The employees concerned should be made aware about the Complaint handling process. The complaint handling process and procedure is of general in nature. It should, therefore, be made known to all employees to ensure better customer service and general awareness in the bank.

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 right to register his complaint if he is not satisfied with the services provided by the bank. He can give his complaint in writing, orally or over telephone. If customer's complaint is not resolved within given time or if he is not satisfied with the solution provided by the bank, he can approach Banking Ombudsman with his complaint or other legal avenues available for grievance redressal.

2. Internal Machinery to handle Customer complaints / grievances

2.1 Customer Service Committee of the Board

This sub-committee of the Board would 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 tri-ennial audit of such services. The Committee would also examine any other issues having a bearing on the quality of customer service rendered to the individual both as a depositor and also as a borrower. The Committee will also examine loan policies and other service issues for the individual. This committee would also review the functioning of Standing Committee on Customer Service.

2.2 Standing Committee on Customer Service

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

- ❖ Evaluate feed-back on quality of customer service received from various quarters. The committee would 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 would be responsible to ensure that all regulatory instructions regarding customer service are followed by the bank. Towards this, the committee would obtain necessary feed-back from Zonal / regional Managers/ functional heads.
- ❖ The committee also would consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice.
- ❖ The committee would submit report on its performance to the customer service committee of the board at quarterly intervals.
- ❖ The committee would examine complaints related to non-implementation of commitments in the Code of Banks' Commitments to Customers received from BCSBI.
- ❖ The Chairman, Chief General Manager/s, Dy.General Manager (HRD & Compliance), Asst.General Manager (Corporate Marketing) shall constitute the Standing Committee on Customer Service. Two or three customers from various fields are also included as nonofficial members as approved by the chairman.

2.3 Nodal Officer and other designated officials to handle complaints and grievances

Bank would appoint a Nodal Officer of the rank of Dy.General Manager (or its equivalent) who will be responsible for the implementation of customer service and complaint handling for the entire bank. The bank may also appoint Nodal Officer at Zonal / Regional offices to handle complaint grievances in respect of branches following under their control.

The Dy.General Manager (HRD & Compliance) will be the compliance officer of the bank and the Dy.Zonal Manager (Development) will be Nodal Officer in the respective Zone. The Assistant General Manager (Dev. & Support Services) will be the Nodal Officer at the General Manager's office proposed to be set up.

2.4 Hearing of grievances of the borrowers classified as willful defaulters by the bank.

A Grievance Redressal Committee comprising the following officials be and is constituted for hearing borrowers who represent that they have been wrongfully classified as willful defaulters:-

- 1) Chairman
- 2) Chief General Manager
- 3) Dy.General Manager (Credit)
- 4) Dy.General Manager (HRD & Compliance)

Chairman along with any two executives shall constitute quorum for the committee meetings.

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)
- ❖ Contact details of Banking Ombudsman of the area
- ❖ Code of bank's commitments to customers / Fair Practice code

The above details will be displayed in the bank's website as well as **on** the notice board of all branches / offices for facilitating contact by customers.

4. Resolution of Grievances

Branch Manager is responsible for the resolution of complaints / grievances in respect of customer service by the branch. He would be responsible for ensuring closure of all complaints received at the branches. It is his foremost duty to see that the complaint **should be** resolved completely to the customer's satisfaction and if the customer is not satisfied, then he should 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 can refer the case to Regional or Zonal Office for guidance, when an issue remain unresolved after expiry of the stipulated period. Similarly, if Regional or Zonal office finds that they are not able to solve the problem such cases may be referred to the Nodal Officer **when an issue remain unresolved after expiry of the stipulated period after expiry of the stipulated period.**

4.1 Time frame

Complaint has to be seen in the right perspective because they indirectly reveal a weak spot in the working of the bank. Complaint received should be analyzed from all possible angles. Specific time schedule may be set up for handling complaints and disposing them at all levels including branches, zonal and head office. Branch manager should try to resolve the complaint within specified time frame, i.e. within 10 working days.

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 should invariably be acknowledged promptly. Branch and zonal office must send action taken report on complaints received to the head office at the end of every month with all details, so as to reach at the Head Office on or before 10th of the succeeding month.

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 feed back / 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 feed back from customers would be valuable input for revising its product and services to meet customer requirements. Branches should report on the customers meet to the Zonal Offices. Zonal Offices may submit the report on customer meet conducted at their offices to Head Office every month.

6. Sensitizing operating staff on handling complaints

Staff should 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 should be able to win the customer's confidence. It would be the responsibility of the Nodal Officer to ensure that internal machinery for handling complaints/grievances operates smoothly and efficiently at all levels. He should give feed back on training needs of staff at various levels to the HR Dept.
