

SVC CO-OP BANK LTD

CUSTOMER GRIEVANCE REDRESSAL POLICY 2024-25

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CUSTOMER GRIEVANCE REDRESSAL POLICY 2024-25

I. Preamble:

In the present scenario of competitive Banking excellence customer service is the most important tool for sustained business growth. Customer complaints are part of the business life of any corporate entity. Bank continue to provide an increasing number of financial services and products; hence they face the challenge of integrating these disparate systems into a coherent and efficient infrastructure, while delivering the highest level of customer service and convenience without exposing their customers to the Bank's internal / external issues / problems.

With the opening up of the economy, customer satisfaction has acquired new meaning and different dimensions. Moreover, the customer preferences are changing at a rapid pace and their service level expectations are increasing. In order to cater to the changing preferences and to survive in the midst of intense competition, Banks are bound to provide suitable level of services as per the customer needs.

Customer complaints are part of the business life of any corporate entity. This is more so in Banks because Banks are service organizations. As a service organization, customer service and customer satisfaction are the prime concern of any Bank.

A customer is a person (natural or legal) or an organization who is utilizing one or more of the services provided by the bank e.g. a deposit account, a loan account Debit Card, , purchase of demand draft etc. He may be a customer having an account with the Bank or a non-customer having banking business relationships such as purchase of Demand Draft, Power of Attorney Holder, etc. Our 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 helps in identifying shortcomings in product features and service delivery, since customer dissatisfaction would spoil Bank's name and image.

The Bank's policy on grievance redressal follows the under noted principles.

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

With a view to decreasing court cases involving UCBs and CICs, complaints need to be addressed by them on an urgent basis. UCBs and CICs should have a structured process of complaint redressal for which a Consumer Protection Committee under the Board should be constituted.

Such system would ensure that the redressal sought is just and fair and is permissible within the given frame-work of rules and regulation. The policy document would be made available at all branches. All employees are made aware about the Complaint handling process.

II. Objective of the policy:

1. To minimize customer complaints and grievances through a proper delivery and review mechanism
2. To ensure prompt redressal of customer complaints and grievances.
3. To ensure quick and efficient response to customer expectations through a robust review mechanism
4. To ensure Root Cause Analysis of complaints received with the aim to minimize/ eradicate grievances by bringing necessary changes in the process and systems.
5. To keep customers informed of the channels available to escalate their Grievances within the Bank and their rights to alternate remedies if they are not fully satisfied with the response of the Bank.

a) Query, Request & Complaint (QRC Mechanism):

Customers interact with banks for various products and services. Most of the interaction from customers are related to clarify issues / queries on their account, account servicing requests or complaints, issues with payments, etc. The incoming customer interactions are classified under three categories given below:

Query: Query is request to the bank by or on behalf of a customer or Non customer, for information regarding the products, services or related processes, or to carry out a transaction or action in relation to any such product or service.

Request: Service request is when customer makes request to avail services that bank has promised to provide. It can be resolved through a process set by the Bank within definite time line. Service Request is an extended arm of Query. Any enquiry/ clarification/ seeking status/ request processing which is placed with Bank may be categorized as Query or Request before expiry of Turnaround Time (TAT) of maximum 15 business days prescribed by the Bank.

Complaint: When Query or Request of customer does not get resolved it turns into complaint. A Complaint is communication to the Bank through any means (Oral/written/Email etc.,) which express the dissatisfaction about any aspect of the Banks Products, Services, Employee behavior /attitude, Processes, systems etc.

The Customer complaints arise 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 rendered.
- c) Difference in perception and interpretation of provisions, rules and regulations and law.
- d) Not resolving the customers query within specified/ expected Turn Around Time.
- e) Technology related complaint
- f) Customer Complaints related to activities of outsourced persons.
- g) Not adhering to the Regulatory Guidelines to the Banks. etc

Customers' needs basically focus on:

- Speed
- Timeliness
- Accuracy
- Courtesy
- Concern

b) Types of Complaints:

Complaints can be broadly classified based on their nature as below:

1. ATM/Debit Cards
2. Credit Cards
3. Internet/Mobile/Electronic Banking
4. Account opening/difficulty in operation of accounts
5. Mis-selling/Para-banking
6. Recovery Agents/Direct Sales Agents
7. Pension and facilities for senior citizens/differently abled
8. Loans and advances
9. Levy of charges without prior notice/excessive charges/foreclosure charges
10. Cheques/drafts/bills
11. Non-observance of Fair Practices Code
12. Exchange of coins, issuance/acceptance of small denomination notes and coins
13. Bank Guarantees/Letter of Credit and documentary credits
14. Staff behavior
15. Facilities for customers visiting the branch/adherence to prescribed working hours by the branch, etc
16. Others

III. Framework of Banks's Internal Redressal mechanism to handle Customer Grievances:

The customers have full right to register their complaint, if they are not satisfied with the services provided by the Bank. They can give their complaint in writing, orally or over telephone. If the complaints are not resolved within given time or if they are not satisfied with the solution provided by the Bank, they can approach the Banking ombudsman with their complaint or other legal avenues available for grievance redressal.

a) Various Channels of receiving complaints:

Complaints may be lodged through various channels as mentioned below:

1. Letter / email / Phone calls received from the aggrieved customer at Branches/ Grievance Cell:

Branch Managers are the first level of grievance redressal. Replies are sent by Branch Managers to the complaints received by them. In case the customer is not satisfied, the complaint is escalated to the Nodal Officer. All letters / emails /Phone calls received by the Nodal officer/Executives of the Bank are recorded by the Grievance Cell, comprising

of the Nodal officer and staff reporting to the Nodal officer for the purpose. Replies are sent to each & every letter of complaint so received.

2. From SVC Banks Portal

Customer lodges complaint on SVC Banks Portal, the complaint is forwarded to Banks Nodal Officer. These complaints are recorded by the Grievance Cell, comprising of the Nodal officer and staff reporting to the Nodal officer. The complaints are resolved by coordinating with concerned departments/branch. Once the complaint is resolved the same is conveyed to the customer.

3. From Reserve Bank of India to whom customers write directly / From BO under BO-Scheme for grievance redressal

RBI forwards emails received from complainants to the Bank and directs the Bank to reply to the customer in a time bound manner. The Nodal Officer responds to such complaints over Email.

Banking Ombudsman has come up with CMS Module (Online Interface) for registering of complaints online. This online CMS Module makes the tracking and monitoring of complaints easy and convenient.

Some complaints require extra intervention from the Nodal officer. In such cases, meetings are held by the Nodal Officer collectively with the concerned BM/DM where they meet the aggrieved customer to bring their complaint to a logical conclusion.

The nature of grievances received are varied. By and large letters/emails sent to our executives/nodal officer, like Rupay /VISA Chargebacks, Unsettled UPI transactions, Service charges deducted, matters relating to renewal of FDs, etc. Grievances received from RBI/BO are both – Liabilities as well as Credit related matters. Borrowers often complain about pre-payment penalty charges to the BO.

Other modes of receiving complaints are telephonic and through Social Media which are attended to as and when receive.

b) Resolution of Grievances

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

Following steps are taken to facilitate the customers to make their complaints easily and quickly:

1. Suggestion Box and complaint Book are provided in all the branches. Any written complaint is instantly and promptly acknowledged.
2. At every office of the Bank a notice requesting the customer to “meet the Branch Manager” shall be displayed with regard to Grievances, if it remains un-redressed.
3. Customers can lodge their complaints directly to Branch in charge and it will be the responsibility of the Branch in charge to resolve the complaint within stipulated time.
4. The Branch-in-charge will analyze the complaint and if need be he/she will contact the complainant personally and resolve the complaint.
5. A complaint redressal letter will be sent to complainant, if the complaint is resolved at Branch level. The Branch will also send the details of the grievance received at periodical intervals to concerned Regional Office.
6. If the Branch-in-charge is not able to resolve the complaint within the stipulated time, the complaint will be forwarded to the concerned Regional office of the bank along with the remark of the branch manager.
7. All branches should maintain a separate complaints register for entering all the complaints/grievances received by them directly or through RO / HO and other sources.
8. The complaint registers maintained by branches shall be scrutinized by the concerned Regional Head during his periodical visit to the Branches and his observations/comments recorded in the relative visit reports.
9. Counter staff are provided with training and additional inputs.

Guidelines at branch level:

1. Ensure proper customer service, so that complaints do not arise.
2. Complaints received from customer orally / written should be attended by branch manager and it should be recorded in the complaint register.
3. Complaints at counter should be addressed through personal discussion/email/phone etc. by the fastest mode.
4. Complaints not settled at branch level, should be immediately taken up with next nodal point by the branch itself, keeping the customer informed of the same.
5. Acknowledgement should be given to the complainant within 24 hours.
6. Branch should cooperate at any point of time if RO / HO need Information regarding the complaints.

IV. Time frame/Escalation Matrix

Complaint has to be seen in the right perspective because they indirectly reveal a weak link in the working of the Bank. Complaint received should be analyzed from all possible angles. Specific time schedule has been set up for handling complaints and disposing them at all levels including Branches, Regional and Corporate office. Branch manager should try to resolve the complaint within specified time frames, decided by the Bank.

All complaints are redressed within a maximum period of one month by the Bank. However escalation matrix for redressal of each complaint is prescribed at different levels in the organization.

The matrix prescribes the time period for unresolved complaints / grievances not redressed to customer satisfaction to be escalated by customers to higher authorities. The escalation matrix for customer complaints is as given below:

Complaint received at	Applicable TAT (Turn Around Time) from Grievance Origin date
Branch	4 days
Zonal Divisional Manager (Second Level)	4 days
Zonal AGM/ DGM (Third Level)	4 days
Nodal Officer	15 days
MD Sir's Office	15 days

- If a grievance is raised at branch level with the Branch Head, it should be resolved within 4 working days from the date of the receipt of the complaint by the Branch Head. A Complaint register is maintained at all branches to serve this purpose.
- If there is no response to your grievance after expiry of 4 working days from the date of the receipt of the complaint by the Branch Head, then it may be referred to respective Divisional Manager at C.O./Zonal Office (Second level).
- If there is no response to your grievance after expiry of 4 working days from the date of the receipt of the complaint at the DM level, then it may be referred to AGM/DGM level (Third level).
- If customer is not happy with the response provided by Third Level contacts, they may approach the Nodal Officer appointed by the Bank.
- Further if customer is not satisfied with response from Nodal Officer, they may approach the Managing Director's Office

It is also necessary that the customer is made aware of his rights to approach the Banking Ombudsman concerned 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, banks will indicate that the complainant can also approach the concerned Banking Ombudsman. The details of the concerned Banking Ombudsman should also be included in the letter.

V. Banking Ombudsman Scheme:

Bank has displayed on our website and in all our Branches a notice explaining that we are covered by the Banking Ombudsman Scheme, 2006 of the Reserve Bank of India. The copy of the scheme is made available at all the branches.

Reply will be issued to customers within 30 days of lodging a complaint with us. If customer does not get a satisfactory response from us and if customer wishes to pursue other avenues for redressal of grievances, customer may approach Banking Ombudsman appointed by Reserve Bank of India under Banking Ombudsman Scheme, 2006. Salient

features of the Banking Ombudsman Scheme, 2006 are displayed in the branch notice boards. If customers face any difficulty our Staff will explain the procedure in this regard.

a) Roles and Responsibilities of Nodal Officer at Head Office :

- To resolve queries at initial stage to avoid its escalation to complaint.
- To obtain all information and documents of escalated complaints from Branches and follow up for resolution.
- To follow-up with the Branches and resolve the issues.

CMS/RBI Banking Ombudsman cases:

RBI has set up 22 Banking Ombudsman offices across India for redressal of complaints.

Nodal Officer at Head Office of the Bank shall act as the Nodal Offices for handling BO cases, so as

- To access CMS package on Regular/ Daily Basis and ensure updation of the BO complaints and forward the same to respective concerned Department /Branch Offices.
- To initiate immediate process of resolution to provide timely reply to Banking Ombudsman.
- To ensure that the replies are submitted to BO, maximum within 3 to 5 days in case of accepted claims.

The explanation received from such official must be submitted to the Principal Nodal Officer

In case of Information sought by Statutory Authority:

At times, the Enforcement Agencies seek various types of information, KYC Data, Account Statement and the same to be coordinated with the Branches.

On receipt of the email from the Head Office the Branch Manager/ Asst. BM, should immediately (on same day) submit the documents/information to the Head Office within the stipulated TAT period. In case where old records (beyond 10 years) are sought or are cumbersome in nature which may take some additional time to retrieve, the Branch Manager/Asst branch Manager should take it up with Head Office for extension of time, and in turn HO should ensure that the extension is obtained from the Statutory Authority.

b) Roles and Responsibilities of Officials at Customer Grievance Cell:

- To ensure that the policy guidelines are implemented across all branches.
- To ensure that complaints received through various channels as well as at various levels in the Bank are attended in time.
- To ensure that customer complaints are attended & resolved expeditiously and in any case within the prescribed timeline / TAT, at various levels viz. Branches, HO Verticals, etc. Ensuring effectiveness of the Escalation Matrix wherever there is delay or likelihood of delay in redressal of complaints.

- To ensure that wherever the Awards of BO are recommended for review or making appeal to Appellate Authority, the matter is put up to competent authority for approval, expeditiously.
- To initiate steps / programs aimed at minimizing customer complaints, based on the outcome of root cause analysis, conducted on quarterly basis / half yearly basis. Sharing of the underlying causes of complaints with concerned departmental heads and following up & ensuring that action is taken for addressing the causes.
- To ensure proper record maintenance & timely submission of returns / information / data, including EDSP / DAKSH Portal, to regulator/s, authorities, agencies, etc. as well as timely internal reporting. To ensure conduct of periodical meetings of various HO level customer service committees and ensure compliance with the actionable points / directions of the Committee/s.
- Payment of compensation to customers, arising out of customer complaints / grievances, in terms of Customer Compensation Policy. Overseeing & monitoring performance of Call Centre and ensuring that the Call Centre runs smoothly and effectively.
- To provide inputs as well as active participation in conducting training programs on Customer Services.
- To ensure disclosure of information / data on Customer Complaints as per regulatory requirements.

Suspected Fraudulent Transactions (Other than where credentials are shared by Customer with fraudster) and its Treatment:

In case of suspected fraudulent transaction, customer should lodge complaint immediately through any of the channels mentioned in this Policy giving details of the Account Number, date, and amount and reference number of each suspected fraudulent transaction. In case of suspected fraudulent transaction, CSD to ensure

- To provide/follow-up for the Shadow Credit within 10 days from the date of transaction
- To ensure that the shadow credit is released/reversed within 90 days from the date of complaint as per extant Customer Service Policy.
- To take-up the issue to provide the pro-active credit on identification of error point in failed digital transactions. DBD/IT Team to assist CSD in handling such transactions.

The Board periodically reviews the unauthorised electronic banking transactions reported by customers or otherwise, as also the action taken thereon, the functioning of the grievance redressal mechanism and takes appropriate measures to improve the systems and procedures.

The internal inspectors/auditors including audit firms engaged for the purpose during the course of their inspection/audit of branches should examine the various customer service aspects including the efficacy of the complaints handling and grievance redressal machinery; and based on their observations, record the improvements and deficiencies in various areas.

Preferring review of the Advisories issued by Banking Ombudsman (BO) wherever required:

In case of receipt of advisories against the Bank, the Bank may request for review of such advisories by BO. In order to enable re-examination of the case, an appeal may be made based on the documents / bringing forth facts / additional facts in the matter. Respective Branch Manager shall recommend such review to CSD, HO, together with "Draft Note" and all supporting documents for vetting, before submission to the BO.

Appeal against Awards issued on the Bank to the Appellate Authority at RBI:

In the event of the bank deciding to prefer an appeal against the Award issued by the BO, an appeal may be preferred to the Executive Director looking after CEPD at Central Office of RBI as per the guidelines provided in the Integrated Ombudsman Scheme 2021. The PNO In charge has to put up a note to the MD & CEO / Executive Director seeking prior Approval / permission with their recommendation, together with views of IO. Draft Note to be got vetted by Chief Law Officer at HO before placing before MD & CEO.

The appeal against Award shall be filed within the period of 30 days from the date on which the Bank receives the letter of acceptance of Award by the Complainant. The Appellate Authority may allow a further period, not exceeding 30 days, for making the appeal, where the Appellate Authority is satisfied that there was sufficient cause for the Bank for not filing appeal in the initial period of 30 days.

VI. Mandatory display requirements:

It is mandatory for the Bank to provide the following details-

- Appropriate arrangement for receiving complaints and suggestions.
- The name, address and contact number of Nodal Officer
- Name, address, phone no., email of the Principal Nodal Officer
- Contact details of Banking Ombudsman of the area
- Code of Bank's Commitments to Customers / Fair Practice Code

For the above the Bank will display the names of Offices on Notice Board mandatorily.

Branches have to put up on a notice board important aspects or indicators on 'customer service information', 'service charges', '**grievance redressal**' and 'others'. **The notice board is updated on a periodical basis.**

VII. Interaction with customers

The Bank recognizes that customer's expectation/requirement/grievances can be better appreciated and resolved through personal interaction with customers by Bank's staff. Structured customer service committee meets, 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's 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 the products and services to meet customer requirements.

The following are the tools adopted to achieve customer satisfaction and to avert any complaints/issues with the customers, by the frontline staff/team:

- Attitude
- Politeness
- Listening
- Promptness
- Knowledge
- Communication
- Customer Education

VIII. Record Keeping:

The records of complaints are maintained for a minimum period of ten years from the date of resolution. Backup copies are maintained as per the latest Backup Policy under the Information Systems Security Policy. The Nodal Officer of Bank shall preserve records pertaining to grievance/complaint, received resolution and closure of the grievance.

Complaints/Suggestion box/Complaint Book/Register:

Complaint/Suggestion box should be provided and be fixed at prominent place at each branch/office of the Bank. Further, at every branch of the Bank a notice requesting the customers to meet the branch manager shall be displayed regarding grievances, if the grievances remain un redressed.

Complaint book / Register, as per IBA Design, with perforated copies in each set shall be introduced, so designed as to instantly provide an acknowledgement to the customers and intimation to the controlling office. **Complaint register be kept at prominent place in the branch.**

The branches shall maintain a separate complaints register in the prescribed format given for entering all the complaints/grievances received by them directly or through HO/Government. These registers shall be maintained irrespective of the fact whether a complaint is received or not in the past. The complaint registers maintained by the branches should be scrutinized by the concern HO executives, during their periodical visit to the branches and their observations / comments thereon be recorded in the visit report.

Feedback on Social Media:

A team of Marketing Department works 24X7 for taking up the issues posted on social media platforms like Face Book, Twitter, Instagram, Whatsapp & YouTube etc. These issues are taken up for providing solution with the respective verticals & resolved immediately.

IX. Root Cause Analysis (RCA) of Complaints:

Root Cause Analysis is an important tool in the hands of the Banks that aim to minimize instances of customer complaints. Bank shall make efforts to conduct Root Cause Analysis in areas where Bank receives large number of complaints/ complaints of repetitive nature to identify weak areas of any.

This review mechanism will help the Bank in identifying shortcomings in product features, services, technology etc., and taking necessary corrective measures to address the same.

The bank identifies the categories of complaints which require a root cause analysis based on the frequency and gravity of the Complaints. The Concerned vertical heads to whom the category belongs will conduct root cause analysis and make necessary changes or implement changes if required as per the analysis.

X. Enhanced disclosure on complaints

As per RBI Circular on Strengthening of Grievance Redress Mechanism in Banks dated January 27, 2021, the Bank shall disclose in annual report, summary information regarding the complaints handled by them; and certain disclosures were also being made in the Annual Report of the Ombudsman Schemes published by the Reserve Bank.

XI. Sensitizing operating staff on handling complaints

Staff has to be properly trained for handling complaints by the branch heads. The Bank is dealing with people and hence difference of opinion and areas of friction can arise. With an open mind and a smile on the face the Staff should be able to win the customer's confidence. Imparting soft skills required to handle irate, agitated customers - will be an integral part of the role of the staff at counter. 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.

The following general guidelines need to be followed, at all levels, for prompt redressal of complaints and to improve customer service levels.

1. All branches should ensure the entry of receipt of complaint in the system / complaint register and closing it, once resolved.
2. However, register of complaints to be maintained. Such entry should be made within 24 hours.
3. Name of the nodal officer at branch / RO / HO should be displayed at a prominent place in branch premises, along with information on Banking Ombudsman.
4. If complaints are received simultaneously at more than one nodal point, the lowest level should initiate the redressal procedure and all the three levels will register the complaints with their system / register.
5. During the customer service committee meeting held every month at the branches, the complaints position should be discussed without fail, to enhance the level of customer service by avoiding the bottlenecks in the system.

Customer grievance redressal should be given top priority especially in respect of complaints relating to updation/alteration of credit information.

XII. Staff Training:

- The Bank provides comprehensive training to its employees from time to time. In such training programs, staff is trained on excellent customer service at the counters, and they are also trained on RBI guidelines on grievance redressal.

- Online tests are also conducted by Staff Learning & Development Centre to keep the staff updated on the various products and services and circular issued from time to time. Amendments and circular instructions are issued which will help the staff to attend to customer queries promptly
- Staff Learning & Development Centre is provided with list of most frequent/repetitive complaints related to staff behavior or counter service. The Centre, then designs training programs to address the common problems identified.