

**CITY UNION BANK LIMITED, CENTRAL OFFICE
KUMBAKONAM**



POLICY FOR GRIEVANCE REDRESSAL

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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.

- a) Customers be treated fairly at all times
- b) Complaints raised by customers are dealt with courtesy and on time
- c) 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.
- d) Bank will treat all complaints efficiently and fairly as they can damage the bank's reputation and business if handled otherwise.
- e) 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 and is permissible within the given framework of rules and regulation. The policy document would be made available at all branches. The concerned employees should be made aware about the Complaint handling process.

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. We have also introduced RBI's Internal Ombudsman (IO) Scheme for resolution of complaints.

Further, provisions of RBI Integrated Ombudsman scheme (RBI – IOS), 2021 have also been incorporated in the Policy. This scheme was launched on 12.11.2021 and it has become effective from that date.

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. 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 Managing Director & Chief Executive Officer 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.

- a) 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.

b) 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 functional heads.

c) The committee would also consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice.

d) The committee would submit report on its performance to the Customer Service Committee of the Board at quarterly intervals.

2.3) Principal Nodal Officer to handle complaints and grievances :

The Bank would appoint a Principal Nodal Officer not below the rank of a General Manager who will be responsible for the implementation of customer service and complaint handling for the entire bank. The name and contact details of Principal Nodal Officer will be displayed on branch notice boards. The Bank may appoint such other Nodal Officers to assist the Principal Nodal Officer as it may deem fit for operational efficiency.

3) Mandatory display requirements:

It is mandatory for the bank to provide;

- a) Appropriate arrangement for receiving complaints and suggestions.
- b) The name, address and contact details of Principal Nodal Officer
- c) Details of the complaint lodging portal of the Ombudsman (<https://cms.rbi.org.in>)
- d) Salient features of the RBI Integrated Ombudsman Scheme (RBI – IOS)
- e) Code of bank's commitments to customers/Fair Practice code.

3.1) Complaints/Suggestions Box:

Complaints / Suggestions Box shall be provided at all the branches 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 unchanged. Complaint Book with perforated copies in each set shall be made available at all the branches to instantly provide an acknowledgement to the customers and intimation to the Central Office. Further, a complaint form along with the name, address and telephone numbers of the Principal nodal officer for grievance redressal shall be provided in the homepage of the Bank's website to facilitate complaint submission by the customers.

4) Resolution of Grievances:

The complaint management and its redressal are now being digitized through Complaints Management System (CCMS) process. This facilitates our customers to lodge their issues / complaints directly into a portal hosted in our website and get their grievances redressed. The complaints are recorded in CCMS and acknowledged.

In addition to this, it evolves a mechanism to record and track the status of complaints by the customers till its completion.

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 is 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 Central Office for guidance.

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 shall be set up for handling complaints and disposing them at all levels including branches and central office. Branch Manager should try to resolve the complaint within the specified time frames as furnished hereunder.

NATURE OF COMPLAINT	TIME LIMIT FOR REDRESSAL
Deposits Rate of interest, issue of deposit receipts, standing instructions, issue of passbooks etc.,	30 days
Advances Rate of interest, processing, bank guarantees etc.,	30 days
Bills, DDs, Cheques Issue, Collection etc.,	15 days
Service Charges	15 days
Service Related Complaints Deficiency in customer service	20 days
Safe Deposit Lockers	15 days
Cash Handling	15 days
Others	15 days

Vide RBI – IOS (RBI – Integrated Ombudsman Scheme 2021) dated 12.11.2021, it has been stipulated that

The Bank shall, on receipt of the complaint, file its written version in reply to the averments in the complaint enclosing therewith copies of the documents relied upon, within 15 days before the Ombudsman for resolution, provided that the Ombudsman may, at the request of the Bank in writing to the satisfaction of the Ombudsman, grant such further time as may be deemed fit to file its written version and documents.

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. All Branches shall maintain a separate complaint register and record all the complaints / grievances received by them directly or through the Central Office along with the Action taken on complaints received.

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.

6) Sensitizing operating staff on handling complaints:

Staff should be properly trained for handling complaints. As 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 customer's confidence can be won. Imparting soft skills required for handling irate agitated customers, will be an integral part of the training programs. 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 Human Resources Management Department.

7) Analysis and Disclosure of complaints:

In tune with the Guidelines of Reserve Bank of India, a statement of complaints and its analysis and the details of unimplemented awards of the Banking Ombudsman shall be disclosed along with the financial results. The Bank shall place a statement of complaints before the Board / Customer Service Committees along with an analysis of the complaints received on a quarterly basis. Further, a detailed statement of complaints and its analysis shall be placed in the Bank's website for the information of the general public at the end of each financial year.
