



# The Kurmanchal Nagar Sahkari Bank Limited

## CUSTOMER GRIEVANCE REDRESSAL POLICY

(February, 2025)



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## Document Control

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Sr. No	Version No.	Release Month	Classification	Prepared by	Reviewed by	Approved by	Reasons for New Release
1	1.0	February 2025	Internal	CISO	CCO	Board	New Policy created

## Version History

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1.0	February 2025	New policy created

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## **Introduction:**

The Policy on Customer Grievance Redressal of The Kurmanchal Nagar Sahkari Bank Limited was framed after taking into consideration the guidelines/circulars issued by Reserve Bank of India:

In the present scenario of competitive Banking excellent 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. As a service organization, customer services and customer satisfaction is the prime concern of our bank. The bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain the existing customer base. Customer dissatisfaction would spoil the bank's name and image. 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 is designed to help in identifying shortcomings in product features and service delivery. The bank's policy on grievance redressal follows the under noted principles:

- Customers are treated fairly at all times.
- Complaints raised by the 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.
- The bank employees are to be informed via circulars, training and counselling to work in good faith and without prejudice to the interests of the customer.

The policy document would be made available at all branches. All employees are made aware about the Complaint handling process.

## **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.

## **Customers' needs basically focus on:**

- Speed
- Timeliness
- Accuracy
- Courtesy
- Concern

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## **Types of Complaints:**

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

1. ATM/Debit Cards
2. Internet/Mobile/Electronic Banking/UPI
3. Account opening/difficulty in operation of accounts
4. Mis-selling/Para-banking
5. Recovery Agents/Direct Sales Agents
6. Facilities for senior citizens/differently abled
7. Loans and advances
8. Levy of charges without prior notice/excessive charges/foreclosure charges
9. Cheques/drafts/bills, Bank Guarantees
10. Staff behavior
11. Facilities for customers visiting the branch/adherence to prescribed working hours by the branch, etc.
12. Others

## **Internal Machinery to Handling Customer Complaints /Grievances:**

### ***i. Customer Service, Grievance Redressal Committee:***

A dedicated Customer Service & Grievance Redressal Committee will attend to matters/issues relating to Customer Grievance or Service including Digital Channels and take steps for improving the quality of customer service and speedy redressal of customers' grievances.

### ***ii. Nodal Officer and Other Designated Officials to Handle Complaints and Grievances:***

The bank has designated Nodal Officer and Principal Nodal Officer at Head office to handle complaints / grievances in respect of branches falling under their control.

### ***Email ID & Contact Details (Bank)***

Email id: info@kurmanchalbank.com

Contact Number 05942-236574, 231525, 9456596448

Cyber Crime Helpline- 1930.

### ***Email id & Contact number of Banking Ombudsman:***

Email ID: cpe@rbi.org.in; cms@rbi.org.in

Phone- 0135-2742006

Online Portal: <https://cms.rbi.org.in>

Postal Address- Centralized Report and Processing Centre (CRPC)

Reserve Bank of India

4<sup>th</sup> Floor , Sector 17, Chandigarh-160017

Till Free No- 144488

## **Framework of Banks's Internal Redressal mechanism to handle Customer Grievances:**

In order to make Bank's Redressal Mechanism more meaningful and effective, the compliances shall be handled by:

- A. Branch
- B. Nodal officer/ Principal Nodal Officer
- C. Customer Service and Grievance Redressal Committee

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The customers shall have full rights 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.

### **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/ Chairperson, Customer Service and Grievance Redressal Committee. All letters / emails /Phone calls received by the Nodal officer/Chairperson are recorded by the Grievance Cell and replies are sent to each & every letter of complaint so received.

**2. *From Website Portal***

The complaint lodged by customer on the Bank's website Portal, 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***

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 Branch Manager /Department where they meet the aggrieved customer to bring their complaint to a logical conclusion.

**4. *Other modes of receiving complaints are telephonic and through social media which are attended to as and when received.***

### **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 such cases may be referred to the Nodal Officer/ Customer Service and Grievance Redressal Committee, Head Office.

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

1. Complaint/Suggestion box should be provided and be fixed at prominent place in each

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- branch/office of the Bank.
2. Any complaint is instantly and promptly acknowledged.
3. 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.
4. Customers can lodge their complaints directly with the Branch-in-charge and it will be the responsibility of the Branch in charge to resolve the complaint within stipulated time.
5. The Branch-in-charge will analyze the complaint and if required he/she will contact the complainant personally and resolve the complaint.
6. 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 all the grievances received at fortnightly intervals to Head Office.
7. If the Branch-in-charge is not able to resolve the complaint within the stipulated time, the complaint will be forwarded to the Nodal Officer/ Customer Service and Grievance Redressal Committee, Head Office along with the remarks of the branch manager.
8. All branches should maintain a separate complaint register for entering all the complaints/grievances received by them directly or through HO and other sources.
9. The complaint registers maintained by branches shall be scrutinized by the Internal Inspection and Audit department / Business Heads of respective regions / Secretary & CEO during their visit to the Branches and their observations/comments recorded in the relative visit reports.
10. Counter staff are provided with training and additional inputs.

#### **Guidelines at branch level:**

1. Ensure that the complaint register is kept at prominent place in the branch, which would make it possible for the customers to enter their complaints.
2. Ensure proper customer service, so that complaints do not arise.
3. Complaints received from customer orally / written should be attended by branch manager and it should be recorded in the complaint register.
4. Complaints at counter should be addressed through personal discussion/email/phone etc. by the fastest mode.
5. Complaints not settled at branch level, should be immediately taken up with Business Head of respective Region/ Head Office by the branch itself, keeping the customer informed of the same.
6. Acknowledgement should be given to the complainant within 3 days.
7. Branch should cooperate at any point of time if Business Head / HO need Information regarding the complaints.

#### **Standard Operating Procedure (Time Frame) and Escalation matrix for resolution of complaints:**

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.

The complaints should be resolved / redressed within a maximum period of 30 days. The complaints resolution/escalation matrix describes the time period to be escalated to higher authorities if not resolved within the time stipulated at various levels.

Sr No.	Level	Days for redressal
1.	Branch	15 days
2.	Head Office	30 days

- a. Branch Level: The first level of complaint resolution is at Branch level. Complaints

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received at Branch level should be resolved within 15 days. If not resolved then branch has to refer the complaint to Head Office for resolution.

- b. Head Office Level: Such complaints received at Head Office should be resolved/redressed 30 days from day 1.

All complaints which are partially/wholly rejected by Bank's internal grievance redressal mechanism are to be internally escalated to the Principal Nodal Officer for final decision. Even after one month if the complainant is not satisfied with the Banks reply, he may approach Banking Nodal Officer appointed by Reserve Bank of India or other legal avenues available for grievance redressal.

The facilities to lodge the complaints through online mode have been made available in Bank's corporate website under the link 'Complaint'.

Further, the timelines for resolution of complaints with respect to defective transactions like ATM defective cash withdrawal, IMPS/UPI, debit card online payment, Mobile banking, POS etc., are as per the RBI guidelines, are given here under:

Particulars	Time Frame
ATM defective transaction	T + 5 days
Point of Sale (PoS) (Card Present) including Cash at PoS	T + 5 Days
Card Not present (CNP) (e-commerce)	T + 5 Days
Immediate Payment System (IMPS)	T + 1 Day
UPI (Transfer of funds)	T + 3 Days
UPI (Payment to merchant)	T + 5 Days
Aadhaar Enabled Payment System (AEPS) (Including Aadhaar Pay)	T + 5 Days
Aadhaar Payment Bridge System (ABPS)	T + 1 Day
National Automated Clearing House (NACH)	T + 0 Day

#### **Banking Ombudsman Scheme:**

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 "The Reserve Bank – Integrated Ombudsman Scheme, 2021. If customers face any difficulty our Staff will explain the procedure in this regard.

#### **Roles and Responsibilities of Nodal Officer at Head Office:**

- To resolve complaints at initial stage to avoid its.
- 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 Banking Ombudsman offices across India for redressal of complaints. Nodal



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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 is to be coordinated with the Branches.

On receipt of the email from the Head Office the Branch Manager/ In charge of branch (in case Branch Manager is on Leave or not available in Branch), 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// In charge of branch, 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.

#### **Roles and Responsibilities of Officials at Branches & 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 to 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 CMS portal / DAKSH Portal, to regulator/s, authorities, agencies, etc. as well as timely internal reporting.
- Payment of compensation to customers, arising out of customer complaints / grievances.
- 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

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through any of the channels mentioned in this Policy giving details of the Account Number, date, amount and reference number of each suspected fraudulent transaction. In case of suspected fraudulent transaction, the following are to be ensured

- To provide/follow-up for the Shadow Credit within 10 working days from the date of such notification by customer and the credit shall be value dated to be as of the date of unauthorized transaction
- To ensure that the shadow credit is released within 90 days from the date of receipt of the complaint.
- To take-up the issue to provide the pro-active credit on identification of error point in failed digital transactions.

The Board periodically reviews the unauthorized 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 Managers shall recommend such review to Customer Service and Grievance Redressal Committee, 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 RBI as per the guidelines of Integrated Ombudsman Scheme. The Nodal Officer/ Principal Nodal officer In charge has to put up a note to the Secretary & CEO seeking prior Approval / permission with their recommendation, together with views of IO. Draft Note is to be vetted by Law Officer at Head Office before placing before Secretary & 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.

#### **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
- Code of Bank’s Commitments to Customers / Fair Practice Code

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### **Interaction with Customers:**

The bank recognizes that customers' expectation/requirement/ grievances can be better appreciated through personal interaction with customers by bank's staff. Structured customer meets, 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 the most valuable input for revising its product and services to meet customers' requirements.

### **Sensitizing Operating Staff on Handling Complaints:**

Staff should be properly trained for handling complaints. Bank is dealing with people and hence difference of opinion can arise. With an open mind and a smile on the face, Bank should be able to win the customers' 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 feedback on training needs of staff at various levels to the HR Department.

### **Review of the Policy**

The policy will be reviewed as and when felt necessary by the Board. This policy shall be reviewed at the time of any change in existing environment or because of business, regulatory or legal guidelines or as and when felt necessary by the Board. The Policy whenever reviewed shall be approved by the Board.

\*\*\*\*\* End of document \*\*\*\*\*