

# Customer Grievance Redressal Policy

Date: June 24, 2017.  
Version: 1



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## 1. Policy Content

All personnel carrying out their duties with regard to the Customer Grievance Redressal function should ensure that they comply with the requirements of this policy. With reference to the RBI directions related to customer grievance redressal the following guidelines will be adhered to by Fincare Small Finance Bank.

For Frequently Asked Questions (FAQs) regarding the policies please refer to Appendix.

### 1.1. Objective

The objective of the policy is to ensure that:

- All customers are treated respectfully, fairly and without bias at all times.
- All issues raised by customers are dealt with courtesy, efficiency and are resolved on time.
- Customers are made completely aware of their rights so that they can opt for alternative remedies if they are not fully satisfied with our response or resolution to their complaint.
- All employees will work in good faith and without prejudice to the interests of the customer.

### 1.2. Approach

#### Registration of Complaints:

##### *Modes of registering complaints*

- Customer can register the complaint in written, verbal or electronic form.
- At the branch, MFI offices or BC, customers can speak to respective officials for resolution of their issues or register their grievances through the complaint book available in physical or electronic mode in the touch points.
- Customers can also contact our Customer Care officers over the phone for redressal of issues or write to us at Fincare Small Finance Bank Limited, 5th Floor, Bren Mercury, Kaikondanahalli, Sarjapur Main Road, Bangalore – 560102
- Customers can also lodge a complaint using the Complaint Registration Form placed on the website or via tab placed in the branch.
- All customers registering a complaint will get an appropriate acknowledgement of the same from the Bank depending on the channel through which the complaint is received.

##### *Mandatory Display of Information*

As per Para No. 16.5 of RBI Circular No. DBR No. Leg.BC.21/09.07.006/2015-16 dated 1<sup>st</sup> July 2015, following information will be displayed by Fincare Small Finance Bank:

### **Branch Display**

- Names, complete address and contact details of the officials who can be contacted for redressal of complaints.
- Name and other details of the concerned Nodal Officer appointed under the Banking Ombudsman Scheme, 2006.
- Details of Banking Ombudsman Scheme, name and address of the Banking Ombudsman is to be displayed in the branch premises.
- These details will be updated periodically.

### **Website Display**

- Names and other details of the officials at the Head Office/Regional Offices/Zonal Offices who can be contacted for redressal of complaints including the names of the Nodal Officers/Principal Nodal Officers. The details of the Principal Nodal Officer will be prominently displayed in the portal of the Bank web-site.
- Brief details of the complaints received at Head Office/Controlling Office (no. of complaints and their financial results). Complaints redressed within the next working day, need not be included.

### **System to capture complaints:**

- As per RBI circular No. DBR No. Leg.BC.21/09.07.006/2015-16 dated 1<sup>st</sup> July 2015, Fincare Small Finance Bank will ensure that a suitable mechanism for receiving and addressing complaints is put in place. Till the Customer Relationship Management (CRM) becomes operational an intermediate Helpdesk system will be used to capture customer related grievance. The Bank will construct a CRM system to enable efficient and effective tracking and resolution of complaints.
- All complaints from the customers, shall be logged into Helpdesk/CRM software. With this the Bank shall not only ensure that all the complaints received are recorded and resolved, but shall also ensure effective monitoring/ escalation mechanism to the senior functionary responsible so as to make sure that none of the complaints remain unresolved.
- The internal mechanism for recording and resolution of complaints shall function efficiently at all times and shall be monitored on daily basis. The staff too will be trained for handling complaints efficiently.
- The system will also be used to deal with the issues relating to services provided by Outsourced Agencies/ Business facilitators and the Bank will ensure that the respective outsourcing service providers resolve customer issues expeditiously and effectively.
- The system will also be available for resolving issues related to any third-party product distribution undertaken by the Bank as a certified corporate agent.

### **Resolution of Complaints:**

#### *Timeframe*

The complaints will be analyzed from all possible angles. Complaints shall be resolved in a proper and time bound manner, as per the defined turnaround time for types of grievances. In case the resolution needs time, a suitable interim response shall be communicated to the customer.

### *Escalation of Complaints*

#### **Customer Care Unit**

In case a customer is not satisfied with the resolution provided or, there is a delay beyond the stipulated timeframe, the customer shall be provided an option to register/escalate the complaint/query through electronic modes to the Customer Care Unit.

#### **Nodal Officers**

Bank has placed nodal officers in every region for liaising with the officers of the RBI or the Banking Ombudsman for any customer service issues

#### **Principal Nodal Officer**

In addition, the Bank will also appoint a Principal Nodal Officer of the rank of General Manager (or its equivalent) at the Head Office for the implementation of customer service and complaint handling for the entire Bank. It will be the responsibility of the Principal 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 HR Dept.

If the customer's issue is not resolved even after contacting the Customer service unit, he/she can write to the Principal Nodal Officer.

The Principal Nodal officers will liaise with the RBI the Banking Ombudsman and other regulatory/governmental bodies for any customer service issues

#### **Banking Ombudsman**

In case the customer is not satisfied with the response from the Bank, customers will have the right of approaching the Banking Ombudsman (BO). The details of BO are made available at the branches and also on the Bank's website.

#### *Response to Customers*

The Bank shall ensure that all final written responses to customers contain the mandatory clause to make customers aware of their rights to approach the Banking Ombudsman.

### **Review of customer grievances to enhance the quality of customer service:**

#### *Customer service committee of the Board*

As per the RBI guidelines vide Circular No. DBR No. Leg.BC.21/09.07.006/2015-16 dated 1<sup>st</sup> July 2015, Bank has constituted a Customer Service Committee of the Board. The members of the committee include experts and representatives of the customers as invitees. The Customer Service Committee will oversee the implementation of various customer service guidelines as mandated by Reserve Bank of India and Banking Codes and Standards Board of India. The Bank will place before the Customer Service Committee of the Board, all the awards given by the Banking Ombudsman and all the awards remaining unimplemented for

more than three months with the reasons thereof. This Committee will also review the functioning of Standing Committee on Customer Service.

The composition, agenda and terms of reference of Customer Service Committee of the Board has been defined in the Customer Service Committee Charter.

#### *Standing committee on Customer Service*

Standing Committee on Customer Service will be set in place, which shall be chaired by the MD & CEO of Fincare Small Finance Bank. Besides two or three senior management team members, the committee will also include eminent members drawn from the public to enable an independent feedback on quality of customer service rendered by the Bank. The Committee will focus on building and strengthening customer service orientation in the Bank through initiating various measures including simplifying processes for improvement in customer service levels. The Committee will hold monthly/ bimonthly review meetings to discuss service updates, ongoing projects specifically targeted towards improvement of customer service and appropriate actions arising from discussions.

The composition, agenda and terms of reference of Standing Committee on Customer Service has been defined in the Customer Service Committee Charter.

#### *Branch/ Banking Outlet Level Customer Service Committee*

In order to encourage a formal channel of communication between the customer and the Bank at the branch level, Fincare Small Finance Bank will create branch level committees with greater involvement of customers. The branch level committees will include the Bank's customers as well. Further, as senior citizens usually form an important constituent in Banks, a senior citizen will also be preferably included therein. The branch level Customer Service Committee will meet at least once a month to study the complaints / suggestions, cases of delay, difficulties faced / reported difficulties faced / reported by customers / members of the Committee and evolve ways and means of improving customer service. The branch level committees will also submit quarterly reports giving inputs/ suggestions to the Standing Committee on Customer Service thus enabling the Standing Committee to examine them and provide relevant feedback to the Customer Service Committee of the Board for necessary policy/ procedural action.

### **Acting upon Customer feedback**

- The Bank recognizes that customer's expectation/ requirement/ grievances can be better appreciated through personal interaction with customers by Bank's staff. The structured customer meets will (i) give a message to the customers that the Bank cares for them (ii) the Bank values customer feedback/ suggestions (iii) increase awareness of Banking services (iv) help customers appreciate Banking services better and (v) provide a valuable input for revising its product and services to meet customer requirements.
- Customer feedback will be pro-actively collected to ensure that products/ processes are designed and fine-tuned, and grievances are pre-emptively handled. Employees will be given adequate training to ensure that customer complaints are efficiently handled.
- The Bank will also conduct periodic analysis of customer complaints to identify changes / improvements required in its systems, processes and procedures.

- The Bank will also conduct periodic checks to ensure that resolutions have been provided satisfactorily.

## 2. Document Control

Compliance Department will be the custodian of this policy.

The contents of this Policy are confidential and are intended for internal use by Fincare Small Finance Bank only.

This Policy should always be kept in a safe place and must not be copied or revealed to third parties (i.e. persons not employed by Fincare Small Finance Bank) without the express written permission from Compliance Department.

Distribution of this Policy, in whole or in part, should come through an official request to the Head of Compliance Department.

## 3. Revisions to the Policy

Revision of this manual is the principal way of formalizing changes and adjustments in the Customer Grievance Redressal process at Fincare Small Finance Bank. Such revisions provide flexibility to the Customer Grievance Redressal process at Fincare Small Finance Bank and ensure that the Policy remains relevant at all times.

This policy should be reviewed every year unless some changes occur in the Customer Grievance Redressal process which requires immediate changes to be made in the Policy. Any changes in the RBI regulations in relation with the policy will be applicable for the Bank and will be followed Mutatis Mutandis and will not require specific Board approval.

The Compliance Department will review change requests and either recommend / reject any proposed revisions. The Compliance Department Head / Committee / Board will review the recommendation and either accepts / rejects the proposed revision. If accepted, the Compliance Department will ensure that appropriate revisions are incorporated, and a new version is circulated to relevant users.

## 4. Persons & Departments involved

The policy outlined here is mandatory and must be adhered to by all departments involved in the Customer Grievance Redressal process at Fincare Small Finance Bank. No deviations from the policy will be permitted unless:

- a. The policy is in concurrence with the Reserve Bank of India regulations. Statutory or other regulatory requirements.
- b. The contents of the Policy are strictly proprietary and confidential and should not be disclosed to any person outside Fincare Small Finance Bank.

## 5. Glossary

**Banking Ombudsman-** Banking Ombudsman is a quasi-judicial authority functioning under India's Banking Ombudsman Scheme 2006, and the authority was created pursuant to a decision made by the Government of India to enable resolution of complaints of customers of Banks relating to certain services rendered by the Banks.

**CRM-** Customer Relationship Management

**NEFT-** National Electronic Funds Transfer (NEFT) is one of the most prominent electronic funds transfer systems of India. Started in Nov.-2005, NEFT is a facility provided to bank customers to enable them to transfer funds easily and securely on a one-to-one basis. It is done via electronic messages.

**RTGS-** Real-time gross settlement systems (RTGS) are specialist funds transfer systems where transfer of money or securities takes place from one bank to another on a "real time" and on "gross" basis. Settlement in "real time" means payment transaction is not subjected to any waiting period.

**BCSBI-** Banking Codes and Standards Board of India

**CPPAPS-** Committee on Procedures and Performance Audit on Public Services

## 6. Appendix

### Frequently Asked Questions:

#### On what grounds can a Banking Ombudsman receive complaints?

- a. The Banking Ombudsman can receive and consider any complaint relating to the following deficiency in banking services (including internet banking):
  - non-payment or inordinate delay in the payment or collection of Cheques, drafts, bills etc.;
  - non-acceptance, without sufficient cause, of small denomination notes tendered for any purpose, and for charging of commission in respect thereof;
  - non-acceptance, without sufficient cause, of coins tendered and for charging of commission in respect thereof;
  - non-payment or delay in payment of inward remittances;
  - failure to issue or delay in issue of drafts, pay orders or bankers' Cheques;
  - non-adherence to prescribed working hours;
  - failure to provide or delay in providing a banking facility (other than loans and advances) promised in writing by a Bank or its direct selling agents;
  - delays, non-credit of proceeds to parties' accounts, non-payment of deposit or non-observance of the Reserve Bank directives, if any, applicable to rate
  - of interest on deposits in any savings, current or other account maintained with a Bank;
  - complaints from Non-Resident Indians having accounts in India in relation to their remittances from abroad, deposits and other Bank-related matters;
  - refusal to open deposit accounts without any valid reason for refusal;
  - levying of charges without adequate prior notice to the customer;
  - non-adherence by the Bank or its subsidiaries to the instructions of Reserve Bank on ATM/Debit card operations or credit card operations;
  - non-disbursement or delay in disbursement of pension (to the extent the grievance can be attributed to the action on the part of the Bank concerned, but not with regard to its employees);



- refusal to accept or delay in accepting payment towards taxes, as required by Reserve Bank/Government;
  - refusal to issue or delay in issuing, or failure to service or delay in servicing or redemption of Government securities;
  - forced closure of deposit accounts without due notice or without sufficient reason;
  - refusal to close or delay in closing the accounts;
  - non-adherence to the fair practices code as adopted by the Bank or non-adherence to the provisions of the Code of Bank's Commitments to Customers issued by Banking Codes and Standards Board of India and as adopted by the Bank;
  - non-observance of Reserve Bank guidelines on engagement of recovery agents by Banks; and
  - any other matter relating to the violation of the directives issued by the Reserve Bank in relation to banking or other services.
- b. The Banking Ombudsman may also deal with such other matter as may be specified by the Reserve Bank from time to time.