

CENTRAL BANK OF INDIA

CUSTOMER GRIEVANCE REDRESSAL POLICY

(REVIEWED AND UPDATED AS ON 31.01.2012)

PREAMBLE

- 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 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 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.
- In order to make bank's redressal mechanism more meaningful and effective, a structured system has been built up towards such end. Such system would ensure that the redressal sought is just, fair and is within the given frame-work of rules and regulations. The policy document would be made available at all branches. All employees will be made aware about the complaint handling process.

BASIC PRINCIPLES

- Customers be 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.

REASONS FOR CUSTOMER COMPLAINTS AND RIGHTS OF CUSTOMERS

- The customer complaint arises due to
 - The attitudinal aspects in dealing with customers,
 - 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 a full right to register his complaint if he/ she are not satisfied with the services provided by the bank. He/ she can lodge his/ her complaint in writing, orally or over telephone. If a customer's complaint is not resolved within a given time or if he/ she is not satisfied with the solution provided by the bank, he/ she can approach Banking Ombudsman with his complaint or other legal avenues available for grievance redressal.

OBJECTIVES OF THE POLICY

Bank shall ensure that a suitable mechanism exists for receiving and addressing complaints from its customers/ constituents with specific emphasis on resolving such complaints fairly and expeditiously regardless of source of the complaints

GRIEVANCE REDRESSAL MECHANISM

(1) .Internal Machinery to handle Customer complaints/ grievances.

1.1 Receiving Complaints

Bank shall

- Ensure that the complaint registers are kept at prominent place in their branches which would make it possible for the customers to enter their complaints.
- Provide complaint / suggestion box at each office of the bank.
- Place a notice requesting the customers to meet the branch manager regarding grievances, if the grievances remain un-redressed.

- Provide a complaint form, along with the name of the nodal officer for complaint redressal, in the homepage itself of the bank's website to facilitate complaint submission by customers. The complaint form shall also indicate that the first point for redressal of complaints is the bank itself and that complainants may approach the Banking Ombudsman only if the complaint is not resolved at the bank level within a month.
- Have a system of acknowledging the complaints, where the complaints are received through letters / forms.
- Fix a time frame for resolving the complaints received at different levels.
- Ensure that redressal of complaints emanating from rural areas and those relating to financial assistance to Priority Sector and Government's Poverty Alleviation Programmes also form part of the above process.

1.2 Complaint Book / Register

- Complaint book 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.
- * Bank shall use a complaint book with uniform format, which shall have the adequate number of perforated copies, which are so designated that the complainant could be given an acknowledged copy instantly. A copy of the complaint shall be forwarded to the concerned controlling office of the bank along with the remark of the Branch Manager within a time frame.
- Branches of the Bank shall maintain a separate complaints register in the prescribed format given for entering all the complaints / grievances received by them directly or through our Central Office /Government/ RBI/ BCSBI etc. These registers shall be maintained irrespective of the fact whether a complaint was received or not in the past. The complaints register maintained by branches shall be scrutinized by the concerned Regional Manager during his periodical visit to the branches and his observations / comments recorded in the relative visit reports. For the convenience our bank shall adopt the aforesaid format and generate copies electronically.

1.3 Online Grievance Redressal System

- Bank shall provide for online registration of grievance in its website. The online grievance system should provide access to the customer also for recording the complaint status, tracking and receiving response from the Bank.

1.4 Display Requirements

Bank shall display of customer service related information for making complaints, as under,

- Bank shall display prominently at its branches, the names of the officials who can be contacted for redressal of complaints together with their direct telephone number, complete address (not Post Box No.) and e-mail address etc., for proper and timely contact by the customers and for enhancing the effectiveness of the redressal machinery.
- Bank shall display at its branches, the names of the officials who can be contacted for redressal of complaints. The same shall also include the name and other details of the concerned Nodal Officer appointed under the Banking Ombudsman Scheme, 2006.
- Bank shall display on its web-site, the names and other details of the officials at its Central Office/ Regional Offices, who can be contacted for redressal of complaints including the names of the Nodal Officers /Principal Nodal Officers.
- Bank shall display on its web-site, the names and other details of its CMD / EDs and Functional Heads for various operations to enable its customers to approach them in case of need, if necessary.

1.5 Time frame for Grievance Redressal:

- The time frame for redressal of different types of grievances in terms of the intensity and nature shall be displayed on the notice board of every branch of the bank.
- Bank has specified the time schedule for handling complaints and disposing them at all levels, as under-

BRANCH LEVEL	ONE WEEK
REGIONAL OFFICE LEVEL	TWO WEEKS
CENTRAL OFFICE LEVEL	FOUR WEEKS

- Concerned offices of the bank shall resolve the complaint within specified time frame. However, if the redressal of complaints require some time for examination of issues involved, it shall be invariably be acknowledged and interim reply shall be given by the concerned offices of the Bank.

1.6 Resolution / Escalation of Complaints:

- Bank shall ensure that minor complaints that could be resolved at the branch level itself are not escalated to next level. There shall be clear segregation of grievances in terms of the ones that need to be escalated and the others that shall necessarily be resolved at branch level.
- For strengthening the customer confidence in the internal redressal mechanism, there shall be proper monitoring of internal redressal mechanism so that a minimum number of complaints are escalated to Banking Ombudsman's Office.
- Bank shall appoint a Chief Customer Service Officer (CCSO), an official in the form of an Internal Ombudsman. After the appointment of the CCSO, the role of Banking Ombudsman shall be that of an Appellate Authority.
- A person aggrieved with a banking service as hitherto will first complain to the bank and if within a month does not receive a reply or is unsatisfied with the reply, will appeal to the CCSO of the Bank. On failure to get a reply within a further 30 days from the CCSO or if unsatisfied with the reply of the CCSO, the complainant can appeal to the Banking Ombudsman of the relevant jurisdiction.
- Bank may consider for a provision of incentive for resolving the complaints at lower level and disincentive for escalating it to a higher level.

1.7 The Banking Ombudsman Scheme

- The Scheme of Banking Ombudsman (BO) was introduced with the object of enabling resolution of complaints relating to provision of banking services and resolving disputes between a bank and its constituent through the process of conciliation, mediation and arbitration in respect of deficiencies in customer service. After detailed examination of the complaints/ grievances of customers of banks and after perusal of the comments of banks, the Banking Ombudsman issues their awards in respect of individual complaints to redress the grievances.
- Bank shall ensure that the Awards of the Banking Ombudsman are implemented expeditiously and with active involvement of its Top Management.
- A customer aggrieved with the decision of BO can go the formal fora like Consumer Courts, Civil Court etc. The Bank aggrieved with a BO decision shall seek the advice of the Customer Service Department of Reserve Bank of India before approaching the courts.
- Moreover, before challenging any such Award or decision in higher court, our bank shall examine the cost implications of such a decision from the bank's perspective. Further, any decision or Award given by BO or any Grievance Redressal Forum shall be internally examined by the bank for initiating possible Class Action at the branch/ concerned offices

1.8 Customer Service during Internal Audit:

The Bank / branch inspection shall also review the systemic ways of complaint resolution rather than mere number of cases resolved.

2. Constitution of Committees within the bank

Bank shall constitute various committees to have oversight on level of customer services, in particular, Grievances Redressal Mechanism of the Bank. These are,

2.1 Branch Level Customer Service Committees

- Bank shall establish Branch Level Customer Service Committees with greater involvement of customers. The committee shall include Bank's customers. Further as Senior Citizens usually form an important constituent in our Bank, a Senior Citizen shall be included therein.
- The Branch Level Customer Service Committee shall meet at least once a month to study complaints/ suggestions, cases of delay, difficulty faced/ reported by customers/ members of the committee and it shall evolve ways and means of Improving customer service.
- The branch level committees shall 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.

2.2 Standing Committee on Customer Service

- The Standing Committee shall be chaired by the Chairman & Managing Director or the Executive Director of the Bank and include non- officials as its members to enable an independent feedback on the quality of customer service rendered by the Bank.
- The Standing Committee shall also review the feed-back report on complaints related to non-compliance with the BCSBI Code and its redressal.
- The Standing Committee shall also consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice.
- The Standing Committee shall submit report on Bank's performance to the customer service committee of the board at quarterly intervals.

2.3 Customer Service Committee of the Board

- Bank shall constitute a Customer Service Committee of the Board and include experts and representatives of customers as invitees.
- The Committee shall play a more pro- active role with regards to complaints/ grievances resolved by Banking Ombudsman of the various states.

- Bank shall place all the awards given by the Banking Ombudsman before the Customer Service Committee to enable them to address issues of systematic deficiencies existing in the bank, if any, brought out by the awards.
- Bank shall place all the awards remaining unimplemented for more than three months with the reasons there for before the Customer Service Committee to enable the committee to report to the Board such delays in implementation without valid reasons and for initiating necessary remedial action

3. Institutional Arrangements

- The bank is required to disclose the brief details regarding the number of complaints along with their financial results. This statement shall include all the complaints received at the Central Office/ Controlling offices/ branches level. However, where the complaints are redressed within the next working day, bank shall not include the same in the statement of complaints.
- Where the complaints are not redressed within one month, the concerned branch / controlling office shall forward a copy of the same to the concerned Nodal Officer under the Banking Ombudsman Scheme and keep him updated regarding the status of the complaint. /This would enable the Nodal Officer to deal with any reference receive from the Banking Ombudsman regarding the complaint more effectively. Further, customer shall be made aware of his rights to approach the concerned Banking Ombudsman in case he/ she is not satisfied with the bank's response. As such, in the final letter sent to the customer regarding redressal of the complaint, banks shall indicate that the complainant can also approach the concerned Banking Ombudsman. The details of the concerned Banking Ombudsman shall also be included in the letter.
- Bank shall give wide publicity to the grievance redressal machinery through advertisements and also by placing them on its website.

4. Analysis and Disclosure of Complaints

- Bank shall place a statement before its Board analyzing the complaints received. Bank shall also disclose the Statement of complaints and its analysis along with its financial results. Further, the unimplemented awards of the Banking Ombudsman shall also be disclosed along with financial results. Bank shall place a statement of complaints before its Board / Customer Service Committee along with an analysis of the complaints received. The complaints shall be analyzed (i) to identify customer service areas in which the complaints are frequently received; (ii) to identify frequent sources of complaint; (iii) to identify systemic deficiencies; and (iv) for initiating appropriate action to make the grievance redressal mechanism more effective.
- Further, bank shall disclose the brief details along with their financial results pertaining to the number of complaints pending at the beginning of the year, received during the year, redressed during the year and pending at the end of the year. Similar information pertaining to the Banking Ombudsman Awards received and implemented shall also to be placed.
- Further, bank shall place the detailed statement of complaints and its analysis on its web-site for information of the general public at the end of each financial year.

5. Mechanism of Review of Grievances Redressal Machinery

- As per the existing guidelines, Bank shall critically examine on an on-going basis as to how Grievances Redressal Machinery is working and whether the same has been found to be effective in achieving improvement in customer service in different areas.
- Banks shall identify areas in which the number of complaints is large or on the increase and consider constituting special squads to look into complaints on the spot in branches against which there are frequent complaints.

- At larger branches and at such of the branches where there are a large number of complaints the bank shall make special emphasis by engaging staff designated as Public Relations Officers / Liaison Officers for looking into / mitigating the complaints/ grievances of customer expeditiously. The Bank shall include one or two sessions on customer service, public relations etc., in training programmes conducted in its training establishments.
- In cases where the contents of the complainant have not been accepted, a complete reply shall be given to complainant to the extent possible. Grievances / complaints relating to congestions in the banking premises shall be examined by the bank's internal inspectors / auditors on a continuing basis and action taken for augmentation of space, whenever necessary, keeping in view the availability of larger accommodation in the same locality at the reasonable rent and other commercial considerations.

Amendments / Modification of the policy:-

Bank shall make all its efforts to review this policy time to time with an intension to provide better grievances redressal mechanism to its customers in coming periods.
