



CUSTOMER GRIEVANCE REDRESSAL POLICY

JUNE 2019

POLICY FOR GRIEVANCES REDRESSAL

1. Introduction

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 the bank. The bank believes that excellence in customer service is its prime motto; providing prompt and efficient service should get paramount importance in its business policies.

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 aimed at helping identification of shortcomings in product features and service delivery. Bank is fully aware that customer dissatisfaction would spoil bank's name and image. The bank's policy on grievance redressal follows the under noted 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.

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 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 shall be made aware about the Complaint handling process.

1.1 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 the prescribed 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.

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 triennial 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

Executive Director of the bank will chair the Standing Committee on Customer Service. Besides two to three senior executives of the bank, the committee would also have two to three eminent non- executive(s) drawn from the public as members. The committee should have two customers of the branch as members out of which one should be a senior citizen. The committee would have the following functions.

- ❖ Evaluate feedback 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.
- ❖ The Committee would be responsible to ensure that the bank follows all regulatory instructions regarding customer service. Towards this, the committee would obtain necessary feedback from regional managers/ functional heads.
- ❖ The committee also would consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice.
- ❖ The committee would submit report on its performance to the customer service committee of the board at quarterly intervals.

2.3 Nodal Officer and other designated officials to handle complaints and grievances

The following executive of the Bank would be the Principal Nodal Officer to handle complaints and grievances:

The Chief Operating Officer
CEO's Secretariat
Federal Towers, Bank Junction, Aluva, Kerala -683 101

The name and contact details of nodal officer(s) will be displayed on branch notice boards. Zonal Managers shall be Customer Relation Officers at Zonal Offices to handle complaints and grievances in respect of branches under their control. Further, the bank will designate Nodal Officers wherever necessary, considering the Geographical grouping of branches, either consisting of different States in a Single zone, or different Zones in a single State.

2.4 Internal Ombudsman

Under the Internal ombudsman scheme the bank had appointed Internal Ombudsman(IO). The Scheme is introduced with the object of enabling a proper and speedy resolution of complaints of bank customers at the bank level by an independent apex level authority within the bank thereby minimizing the number of cases referred to Ombudsman. The IO scheme provides a settlement which may be acceptable to the bank as well as customer. The customer, if not satisfied with the settlement offer, will however be at liberty to appeal to the banking ombudsman of Reserve Bank of India.

3. Mandatory display requirements

Bank shall provide –

- ❖ Appropriate arrangement for receiving complaints and suggestions.
- ❖ The name, address and contact number of Nodal Officer(s)
- ❖ Contact details of Banking Ombudsman of the area
- ❖ Code of bank's commitments to customers/Fair Practice code

4. Resolution of grievances

Branch Manager is responsible for the resolution of complaints/grievances in respect of customer service by the branch. He would be responsible for ensuring closure of all complaints received at the branch. It is his foremost duty to see that the complaints are 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 Zonal Office/Nodal Officer for guidance. Similarly, if Zonal office/Nodal Officer finds that they are not able to solve the problem such cases may be referred to the Principal Nodal Officer.

In accordance with the Bank's Loan Policy, all complaints relating to loans advances will be resolved in a judicious and expeditious manner.

4.1 Time frame

Complaint shall be seen in the right perspective because they indirectly reveal a weak spot in the working of the bank. Complaint received shall be analyzed from all possible angles. Specific time schedule is set up for handling complaints and disposing them at all levels including branches, Zonal and head office. Branch manager shall try to resolve the complaint within specified time frames, decided by the bank.

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, shall invariably be acknowledged promptly.

Branch and Zonal office shall send action taken report on complaints received to the head office at the end of every quarter.

While the Bank shall endeavor to reduce all complaints in the shortest possible time, it is recognized that longer time would be required to resolve complaints relating to Point of Sales (POS) and e-commerce. This is due to the dependency on external parties. Such complaints will be resolved within a period of 45 days.

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 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 valuable input for revising its product and services to meet customer requirements.

6. Sensitizing operating staff on handling complaints

Staff shall be properly trained for handling complaints. We are dealing with people and hence difference of opinion and areas of friction can arise. With an open mind and a smile on the face, we shall endeavor to win the customer's confidence.

Imparting soft skills required for handling irate customers, will be an integral part of the training programs. Nodal Officer shall ensure that internal machinery for handling complaints/grievances operates smoothly and efficiently at all levels. He shall give feedback

on training needs of staff at various levels to the HR Dept.

7. Grievances Redressal Mechanism

The Bank has, at present, put in the following structured mechanism for redressal of customers' complaints:

- 1 In case a customer feels that there is deficiency in the service provided to him or bank has not provided any of the services as promised, the customer has two primary options:

- i) Call our 24 hour customer care on 1800 425 1199/ 1800 420 1199

The customers will be contacted by the executives of the customer care centre and the issue will be redressed at the earliest.

- ii) Contact your Branch.

The customers may contact the respective branch or the Branch Manager for immediate redressal. If the customer prefers to file a written complaint, it can be registered as per the format given at the end of this policy. The Branch Manager shall record the complaint in the complaint register and shall strive to redress the complaint. If redressed, it would be noted in the complaints register. He can refer to Head Office/Zonal Office, in case he wants interference of higher authorities. The branch shall respond to the Complainant within a maximum period of 10 days of receipt of the complaint. (Address and contact numbers of the branches are displayed in the bank's web site.)

- 2 If the complainant does not receive a response from the branch within 10 days or if the complaint is not redressed to the satisfaction of the customer, the matter may be taken up with the Zonal Level Code Compliance Officer (Nodal Officer) at the respective Zonal office, name and address of whom is available with the branch. The Zonal level code compliance officers shall be the respective Zonal Managers. The Zonal level code compliance officer shall also register the complaint in the complaints register maintained at Zonal office and shall try to redress the complaint. The Code Compliance Officer at the Zonal office shall respond to the complainant within a maximum period of 10 days of receipt of the complaint.
- 3 The Chief Operating Officer in charge of Service Quality Department would be the Principal Code Compliance Officer of the Bank and Principal Nodal Officer for redressal of customer complaints. If the complainant does not receive a response from the Code Compliance Officer at the Zonal office within 10 days or if the complainant still feels unsatisfied with the response received, he/she can address the complaint to the Principal Code Compliance Officer of the Bank with full details of the case in the following address:

The Chief Operating Officer
CEO's Secretariat
Federal Towers, Bank Junction,
Aluva, Kerala- 683 101

(The complaints received at Head office would be probed by the Service Quality Department and suitable measures would be taken to redress the grievance. Service Quality Department shall also examine the nature of complaints and should initiate necessary corrective measures to prevent recurrence of such complaints. All Offices of the Bank shall attend to correspondence on matters related to customer complaints with utmost promptness and help redressal of the complaints).The Code Compliance Officer at Head office shall respond to

the Complainant within a maximum period of 10 days of receipt of the complaint.

- 4 After exhausting all the above machinery/channels, if the customer is still not satisfied, he/she may write to the Managing Director & Chief Executive Officer of the Bank in the following address.

The Managing Director & CEO,
The Federal Bank Ltd,
Corporate Office, Federal Towers,
Aluva – 683 101

Managing Director & CEO will arrange to respond to the Complainant within a maximum period of 10 days of receipt of the complaint.

Customers also have the option to register their complaints on line through the Bank's Website. There is also a dedicated e mail id for sending grievances to the Principal Code Compliance Officer (support@federalbank.co.in). Complaints received through these channels will be dealt with as described in item 3 above.

- 5 All the complaints coming under the jurisdiction of the Internal Ombudsman (IO) will reject partly or wholly by Bank only after consultation/concurrence of IO. The complaints which do not fall under the jurisdiction of IO as mentioned as below which do not need intervention of IO for rejection by Bank

- Complaints related to frauds/misappropriation etc. except in respect of deficiency of service if any on the part of the Bank.
- Complaints/references relating to (a) Internal administration (b) Human Resources (c) pay and emoluments of staff etc.
- References in nature of suggestions/requests for concessions in interest rate charged, rejection of loan proposal , modifications in terms & conditions of sanction , enhancement in credit limit, waiver / write-off of loans, etc. which are primarily in the nature of commercial decisions.
- Complaints which have been decided by or are already pending with other forums such as consumer courts, debt recovery tribunals, etc.

- 6 In case the issue is still not resolved to the satisfaction of the customer, he/she may approach the Banking Ombudsman; address of the Ombudsman is available with the branches.

- 7 For the information of customers, we furnish below the stipulations for filing a complaint with Banking Ombudsman.

- i. The complainant, before making a complaint to the Ombudsman, should have made a written representation to the Bank, and the Bank should have either rejected the complaint, or the complainant had not received a reply within a period of one month after the complaint was received by the Bank, or the complainant was not satisfied with the reply given by the Bank.
- ii. The complaint is made not later than one year after the complainant received Bank's reply to his/her representation or where no reply is received, not later than one year and one month after the date of the representation to the Bank.
- iii. The complaint is not in respect of the subject matter, which was settled or dealt with on merits by the Banking Ombudsman in any previous proceedings, whether or not received from the same complainant or along with one or more complainants or one

or more parties concerned with the subject matter.

- iv. The complaint does not pertain to the same subject matter for which any proceedings before any court, tribunal, arbitrator or any other forum is pending or a decree or Award or order has been passed by such court, tribunal, arbitrator or forum.
- v. The complaint is not frivolous or vexatious in nature.
- vi. The complaint is made before the expiry of the period of limitation prescribed under the Indian Limitation Act, 1963 for such claims.

8 Please note that the first point for Redressal of complaints is the Bank itself. The complainants may approach Banking Ombudsman only if the complaint is not resolved at the Bank level within a month.

8. Corporate Review

Regional offices shall submit a consolidated statement of the complaints received at branches and also at the regional office, to Service Quality Department every quarter. Service Quality Department shall take corrective measures to avoid such complaints in future; systemic deficiencies noted, if any shall be immediately acted upon and brought to the attention of the Standing Committee on Customer Service and Customer Service Committee of the Board.

9. COMPLAINT FORMAT

- 1. Name of the complainant :
- 2. Address in full (for correspondence) :
- 3. Age :
- 4. Tel. No.(landline and mobile) :
- 5. E-mail id if any :

(Please do not write any other person's e-mail id. Bank will not be responsible for any leakage of secrecy or for any consequences there upon for messages/ letters through the given e-mail id)

- 6. Name of Branch to which the complaint is related to :
- 7. Details of the complaint (Attach separate sheet if necessary) :
- 8. Whether you have already taken up with any other Functionary/Forum :

Place:

Date :

Signature of the complainant