

KOKAN MERCANTILE CO-OPERATIVE BANK LTD.

GRIEVANCE REDRESSAL POLICY

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 far in 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. Therefore the Bank has framed a GRIEVANCE REDRESSAL POLICY which follows principles mentioned below:

- 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.

The policy document would be made available at all branches. The Complaint handling process and procedure is of general nature. It should therefore be made known to all employees to ensure better customer service and general awareness in the bank / branch.

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 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 avenue available for grievance redressal.

2. Internal machinery to handle customer complaints / grievances

2.1 Customer Service Committee :

The Customer Service Committee will comprise of

- i) General Manager,

- ii) Asst. General Manager-Recovery
- iii) Asst. General Manager-Accounts
- iv) Asst. General Manager-Information & Technology.

The committee would formulate 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. The committee would also examine any other issues having an effect on the quality of customer service rendered & 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 Chairman of the bank. Besides General Manager, the committee shall consist of three senior executives of the bank. The committee would have the following functions.

- 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 Bank's Commitments to Customers
- 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 Branch heads / Functional heads.
- The Committee also would consider unresolved complaints/grievances referred to it by Branch/Functional heads responsible for redressal and offer their advice.
- The Committee would submit report on its performance to the Board at regular intervals.

2.3 Nodal Officer to handle complaints and grievances.

The NODAL OFFICER will look after the implementation of customer service and complaint handling for the entire bank.

3. Mandatory display requirements

Every branch of the bank is provided with information as to ;-

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

4. Resolution of Grievances

Branch Manager is responsible for the resolution of complaints/grievances in respect of customer's service by the branch. He would be responsible for ensuring closure of all complaints received at the branches. It is his foremost duty to see that the complaint should be resolved completely to the customer's satisfaction. When an issue remains unresolved after expiry of the stipulated period 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 the NODAL OFFICER at the Head Office.

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. If customer's complaint is not resolved within one week the same shall be referred to Head Office for redressal within three weeks.. Evenafter one month if the complainant is not satisfied, he may approach Banking Ombudsman appointed by Reserve Bank of India or other legal avenues available for grievance redressal. Branch manager/Nodal officer should 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 should invariably be acknowledged promptly. Branches must send action taken report on complaints received to the head office at the end of every month. Specific time frame to acknowledgement and redressal of complaints as stipulated should be made available to the customer.

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 three 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 customers requirements.

6. Sensitizing operating staff on handling complaints

Staff should 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 should be able to win the customer's 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 feed back on training needs of staff at various levels to the HR Dept.

7. Maintainance of Complaint Box/Complaint Registers

All the offices & branches of the Bank would maintain a complaint register where the customers can enter their complaints. In addition to this a Suggestion-cum-Complaint box would be placed in a suitable position where it would be easily visible and identifiable. The customers may drop their written suggestions/complaints with their name and address in the Box.