



# United Bank of India

## GRIEVANCE REDRESSAL POLICY

### (2016-17)

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## **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 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. With the expansion of delivery of financial services and concentrated focus on financial inclusion, the quality and content of dispensation of customer service has been coming under tremendous pressure owing to the soaring demands and expectations of the customers. Customer dissatisfaction would spoil bank's name and image.

A complaint is an expression of dissatisfaction made to an organization related to its product, services or the complaint handling process where a response or resolution is explicitly or implicitly expected.

A grievance / complaint occurs on account of

- a. The attitudinal aspects on the part of staff in dealing with customers.
- b. Inadequacy of working knowledge and operational gaps in the standards of services offered, expected and actual services rendered.
- c. Customer awareness to newer technology.

Therefore, a suitable mechanism must exist for receiving and redressing customer complaints in a courteous, prompt and efficient manner. Any mistake made by the Bank should be rectified immediately.

## **2. Objective of the Policy**

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 identifying shortcomings in product features and service delivery.

The bank's policy on grievance redressal follows the under noted principles.

- a) Customers be treated fairly at all times
- b) Complaints raised by customers are dealt with courtesy and on time
- c) 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.

- d) Bank will treat all complaints efficiently and fairly as they can damage the bank's reputation and business if handled otherwise.
- e) The bank employees must work in good faith and without prejudice to the interests of the customer.

The Policy is to be given adequate publicity by placing the same prominently on the Bank's website etc.

### **3. Internal Machinery to handle Customer complaints/ grievances**

#### **3.1. Customer Service Committee of the Board**

In terms of the latest RBI guidelines, the Board Level Customer Service Committee is to include experts and representatives of customers as invitees to enable the Bank to formulate policies and assess the compliance thereof internally with a view to strengthening the corporate governance structure in the Institution and also to bring about ongoing improvements in the quality of customer service provided by the Bank.

This sub-committee of the Board will be responsible for:-

- a. Formulation of a comprehensive deposit policy
- b. Issues involving services to the depositor customers such as minors, illiterate persons and visually impaired persons, handling of deceased person's A/Cs and also instances like customer misinformation.
- c. Product approval process with a view to suitability and appropriateness
- d. Annual survey of depositor satisfaction
- e. Triennial audit of such services and
- f. Maintenance of secrecy.

The Committee will also examine any other issues having a bearing on the quality of customer service rendered and will review the functioning of standing committee on customer service.

Besides, the awards given by the Banking Ombudsman will also be placed before this committee so that issues of systemic deficiencies existing in the Bank, if any, may be addressed.

The Internal Ombudsman will submit a report in this regard to the committee on half yearly basis. All the unimplemented awards for more than three months are also to be placed before the

Customer Service Committee to enable the said Committee to report to the Board such delays in implementation with valid reasons and for initiating necessary remedial action.

### **3.2. Standing Committee on Customer Service**

The Standing Committee has to act as the bridge between the various departments of the Bank and the Board Level Customer Service Committee of the Board.

The Managing Director/ Executive Director of the bank will chair the Standing Committee on Customer Service. Besides two to three senior executives of the bank, the committee will also have two to three eminent non-executives drawn from the public as members. The committee will have the following functions.

- a. Evaluate feedback on quality of customer service received from various quarters. The committee will also review comments/feed-back on customer service and implementation of commitments in the Code of Bank's Commitments to Customers received from BCSBI.
- b. The Committee will be responsible to ensure that all regulatory instructions regarding customer service are followed by the bank. Towards this, the committee will obtain necessary feedback from Regional Managers / functional heads.
- c. The Committee will also consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice.
- d. The committee will submit report on its performance to the customer service committee of the board at quarterly intervals.

### **3.3. Nodal Officer and other designated officials to handle complaints and grievances.**

Bank has appointed a Principal Nodal Officer of the rank of General Manager (or its equivalent) who is responsible for the implementation of customer service and complaints handling for the entire bank. The Bank has appointed all Regional Heads at the Regional Centers to act as Regional Nodal Officers.

Besides the above, Bank has to designate one officer at each Regional Office to act as Customers Relationship Manager to handle customer grievances at Regional level.

The names & contact details of Principal Nodal Officer and Regional Nodal officer as well as that of the Ombudsman under whose jurisdiction the branch comes, have to be displayed in Branch's Notice Board.

#### **4. Review Mechanism:**

The redressal of customer grievances takes place at three levels in the Bank - the Branch, Regional Office and the Head Office. A critical examination on an on-going basis is very much needed to ensure that the Grievance Redressal Machinery at all the levels has been effective in achieving improvement in the customer service.

An analysis of customer grievances received and review of the redressal mechanism is to be placed before the Bank's Board on periodical basis. The Board has to ensure hassle free services to all the customers irrespective of their social /financial standing in the society. A similar review is also to be done at the Regional level in respect of grievances received from customers of their respective Regions and the report is to be sent to the Head Office.

#### **5. Mandatory display requirements**

It is mandatory for the Bank to provide

- a. Information on the arrangement for receiving complaints and suggestions as also the time lines to be observed at the Branch/RO/HO level while resolving the complaints.
- b. The name, address and contact number of the Principal Nodal Officer and concerned Regional Nodal Officers .
- c. Contact details of Banking Ombudsman of the area.
- d. Code of Bank's Commitments to Customers / Fair Practice code.

The notice board is to be updated as and when there is a change in the name and address of any of the above mentioned officers and the Notice Board should indicate the date up to which the information incorporated in the notice board has been updated The language requirements are also to be followed; i.e. bilingual in Hindi speaking States and trilingual in other states.

#### **6. Resolution of Grievances**

##### **6.1. Recourses available to aggrieved customer for lodging complaints.**

Aggrieved Customers can lodge / register their grievance / feedback through any of the following channels:-

- a. By writing letters to the Branch / Regional Office / Head Office.
- b. By writing mail to the Branch / Regional Office/Head Office.
- c. By making a telephone call to the Branch / Regional Office / Head Office or at the Bank's designated help line or at any of the numbers provided at the Bank's web site.
- d. By lodging the complaint on the Government Portal such as Centralized Public Grievance Redressal And Monitoring System (CPGRAMS), RBI and other such platforms.
- e. By personally visiting Branch, Regional Office or Head Office of the Bank and lodging a complaint in person either verbally or through a letter.

- f. By lodging on line complaint through Bank's online Grievances Redressal Mechanism made available on the Bank's website.
- g. Through Complaint / Suggestion Box which are mandatorily placed in all the Branches of the Bank. The customer can also ask for a specially designed Complaint Book / Register having perforated copies at the branch and record his complaint in the same and can obtain an acknowledgement thereof from the concerned Branch.
- h. A notice is also displayed at a prominent place in the Branches informing the customers to meet the Branch manager in case of any dissatisfaction from the services of the Branch.

## **6.2. Acknowledgement and Handling of Complaints : Comprehensive Complaint Management System (CCMS)**

All the complaints received are recorded by the Bank in its database. An acknowledgement preferably under a specific reference number is provided to the customer. All the complaints received at the RO level are to be immediately acknowledged and forwarded to the concerned Branch for redressal whereas the complaints received at the HO are forwarded to the concerned Branch for redressal under intimation to the concerned RO for their suitable advice to the Branch for an early redressal of the complaint.

In order to receive, acknowledge, follow up and speedily redress grievances / complaints from the customers, our Bank has implemented a web based **Comprehensive Complaint Management System (CCMS)** which has been operational since April 30<sup>th</sup>, 2015. It has been developed with a view to integrate the 'Complaint Received & Redressal System' which was hitherto scattered and unevenly distributed making it difficult to ensure that all the complaints received from all the ends were attended and resolved in a time bound manner.

The system is accessible to Bank officials for entering and processing the complaints through Bank's intranet site and the same is integrated with Online Grievance Redressal System hosted on Bank's website accessible to customers through Internet.

With the implementation of the centralized CCMS Portal, all the complaints received from various channels (except those received on the Government Portal and the ones taken up with the Ombudsman) are to be routed through it in the following manner:-

- a) Complaints can be entered by the customers themselves directly in the system through Bank's online grievance redressal portal which will be automatically updated in CCMS data base. The customer gets a registration no. immediately on lodging the complaint through the portal available on Bank's website, which he/she can use for viewing the status of complaint and its redressal online. The Customer Service Department, on receipt of the complaint in CCMS portal changes its status from "pending" to "in process" thereby acknowledging receipt of the complaint.

- b) All other complaints/grievances received through media other than CCMS portal e.g. mail, letter, fax, telephone, toll free lines etc. at branches , Regions, and Departments at HO are to be acknowledged by the recipients through the same mode. The grievances are entered in the CCMS portal with following objectives:-
- i. CCMS will provide a comprehensive view of the complaints, action initiated, present status and quality of redressal. It will facilitate generation of required MIS.
  - ii. The MIS so generated will be helpful to understand the areas of complaints, the reasons for their generation and remedial action required to plug the areas.
  - iii. The Higher Authorities can see the consolidated position any time.
- c) A complaint reference number is automatically generated as soon as the complaint is entered in the CCMS. Each complaint is marked as ‘**pending**’, ‘**in process**’ or ‘**resolved**’ depending upon the stage of its processing at the Branch. The progress of redressal of all the complaints entered in the ‘CCMS’ may also be viewed online by the aggrieved customer and the dealing Branch/Concerned Regional Office/Head Office simultaneously.
- d) The dealing Branch can resolve the complaint and input their comments and can also subsequently close it by marking it ‘Resolved’.

The Complaint Registers maintained at the Branches for recording complaints received from the Govt. Portal, RBI and Ombudsman including others should be scrutinized by the concerned Regional Head during his periodical visit to the Branches and his observations / comments should be recorded in the relative visit report.

### **6.3.Grievance Redressal Process**

The first point of redressal is the branch/office where the grievance arises. The customer, if not satisfied with the service provided by the desk officer/employee or the officer in charge of operations at the branches, can approach the head of the branch or office for redressal. If the grievance remains unresolved after discussion with the branch manager or the head of the office, the customer will have the option to record his/her complaint in writing or by using the online grievance redressal mechanism available in official website of the Bank. He may also make telephonic complaints to the designated Helpdesk or customer service number of the Bank provided at the Bank’s website. To the extent possible, instant acknowledgement of the complaint will be provided to the customer by the branch or office where written complaint is received. Online / telephonic complaint will also be acknowledged by complaint reference number. Besides this, the complaint/suggestion box which has to be mandatorily available at the Branches has to be opened and checked on every working day. Any complaint submitted in the

box will be entered in the complaint register. Acknowledgement of such complaints will be sent by Registered Post to the customer in his recorded address.

The branch/office will resolve the issue within 7(seven) days from the date of receipt of the complaint. A written communication regarding redressal of his grievance will be sent to the customer with intimation to the controlling office. Online communication about the redressal of complaints made online will also be sent to the complainants quoting the complaint reference number. As soon as an online complaint is resolved, the same is to be marked as 'Resolved' in the system. In addition to this, grievances where telephone/mobile number and e-mail address of the complainant is available in the complaint letter, it will be immediately taken up for redressal by contacting the customer within the next working day as part of the grievance redressal mechanism.

Customers can also approach the controlling authority directly for redressal of their grievance. The name, address, e-mail address and telephone number of the controlling authority will be displayed in the notice board at each branch /office prominently. The name of the Principal Nodal Officer of the Bank, the Regional Nodal officer and also of the Customer Relation Officer at the Regional Office for complaint redressal with their address and telephone number will be displayed in the notice board.

Bank will also display on its web-site, the names, telephone numbers and other details of the officials at Head Office and Regional Offices who can be contacted for redressal of complaints including the names of the Nodal Officers and Principal Nodal Officers.

Branch Manager is responsible for redressal of complaints/grievances in respect of those generated for customer service at the branch. He will be responsible for ensuring closure of all complaints received at the branch. It is his foremost duty to see that the complaint is resolved completely to the customer's satisfaction and if the customer is not satisfied, then he will 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 will refer the case to Regional Office for guidance. Similarly, if Regional office finds that they are not able to solve the problem; such cases will be referred to the Nodal Officer at Head Office.

To further strengthen the Internal Grievance Redressal Mechanism of the Bank and in terms of the Damodaran Committee Recommendations, our Bank has also introduced an Internal Ombudsman Mechanism and has accordingly appointed an Internal Ombudsman. The Internal Ombudsman (IO) shall not entertain first resort complaints and his contact details will not be provided in the public domain. IO will be Independent Authority placed at the apex position in the Internal Grievance Redressal Mechanism of the Bank. All complaints which are rejected or partially accepted will be referred to IO through Nodal Office / Principal Nodal Office of the Bank on customer service. The decision of the IO shall be binding on the Bank. However, the



cases of disagreement, if any shall be referred by IO of Bank to RBI / Banking Ombudsman. Redressal communication to the complainant in cases referred to IO will be made by customer service department mentioning explicitly that the complaint has been examined by IO. IO shall not examine the complaints / references on aspect relating to internal administration, human resources, pay and emolument of staff etc. IO shall not examine the reference in the nature of suggestions, request for concession in the rate of interest charged, modifications in sanction terms and conditions etc. which are primarily in the nature of commercial decisions. IO will not represent the Bank in the legal cases arising out of complaints examined by him.

The name and address of the Banking Ombudsman (RBI) of the relevant jurisdiction should also be displayed on the notice board of the Branches / Offices.

For quick redressal of the complaints received from the Govt. Portal (CPGRAMS) and RBI, a copy of the complaint is to be forwarded to the concerned Branch for getting the reply within the specified time frame and also to the concerned Controlling office for following up with the Branch for sending an expeditious reply.

Complaints related to BC's, Financial Inclusion, PMJDY, PMMY etc. will be referred to Financial Inclusion Department of Bank for resolution.

#### **6.4. Time frame for resolution of complaint/grievance**

A complaint against the Bank indicates a weak spot in the working of the bank, therefore it has to be seen in the right perspective, analyzed thoroughly and should be resolved in a time bound manner.

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, will invariably be acknowledged promptly.

Branch and Regional office must send action taken report on complaints received to the head office at the end of every month.

The existing time frame for grievance redressal is as under:

- A) Branch level functionary will endeavor to resolve the issue within 7 (seven) days from the date of receipt of the complaint.
- B) The Regional office shall endeavor to resolve the complaint received within 15 (fifteen) days from the date of receipt of the complaint at their end.
- C) At Head Office level, the complaint will be disposed of within 21 (twenty one) days from the date of receipt of the complaint at their end.

- D) Unresolved complaints are to be referred from Branch to Regional Office, Regional Office to Head Office without losing much time to ensure that all complaints are resolved within 21 days from the date of their receipt at their end.
- E) Pending grievances referred by the functional heads responsible for redressal of grievance would be considered by the standing committee on customer service which will offer its advice.
- F) Rejected / partially accepted complaints will be referred to IO and redressed within 30 days.

Where the complaints are not redressed within one month, the concerned Branch / Controlling Office will 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 will enable the Nodal Officer to deal with any reference received from the Banking Ombudsman regarding the complaint more effectively. Further, the customer will be made aware of his rights to approach the concerned Banking Ombudsman in case he is not satisfied with the Bank's response. As such, in the final letter sent to the customer regarding redressal of the complaint, Bank will indicate that the complainant can also approach the concerned Banking Ombudsman. The name, address and other details of the concerned Banking Ombudsman will be included in the letter.

The online complaint form also will 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.

After detailed examination of the complaints / grievances of customers of the Bank and after perusal of the comments of the Bank, the Banking Ombudsmen issue their awards in respect of individual complaints to redress the grievances. The Bank will ensure that the Awards of the Banking Ombudsmen are implemented expeditiously.

Besides this, the bank also has put in place its customer compensation policy, whereby the Bank compensates its customers for any financial loss that may be incurred due to any deficiency in service attributable to the Bank. By this policy the Bank has to ensure that the customer is compensated for the losses incurred without even asking for it. The policy is based on principles of transparency and fairness in the treatment of customers.

## **7. Dispute Redressal Mechanism for ADC Products**

### **7.1. ATM Related Complaints :**

#### **7.1.1. Lodging Of Complaints:**

- i) Complaints of the customer as regards to Non materialization of ATM transactions (i.e. Non Dispense of cash / Partial dispense of cash though account was debited) for both On-us (Our Customer using our ATM) and Issuer (Our customer using other Bank's ATM) may be lodged with any branch (parent / non parent branch) of the Bank using a simple single page form supplied by the Branch or through On-line Grievance portal available in our website.
- ii) Upon receipt of the complaint(s) from the customer(s) lodged through branch / as well as through on-line portal, Branch officials / ADC Department to lodge the complaints in Finacle "ATMCMPL" menu. A unique complaint no. is generated for each complaint for future tracking / reference.

#### **7.1.2. Redressal of ATM related Complaints:**

The claims / complaints of the customers/ card holders are redressed within the stipulated time frames as per the terms of RBI/NPCI/VISA Guidelines in the following manner:

- i) The wrongful debit in the customer's account on account of failed transactions is reversed within 7 working days from the date of receipt of complaint from the customer.
- ii) Customers are also entitled to receive the compensation @ Rs 100/- per day for the delayed period of settlement, if a claim is lodged with the issuing bank within 30 days of the date of the transaction.
- iii) All disputes regarding ATM failed transactions received within 120 days from the date of transaction are settled (accepted / rejected) by the Bank and through National Payment Corporation of India only. (complaints received within 60 / 120 days from date of transaction are to be resolved ( accepted / rejected) within 7 / 17 working days)
- iv) ATM disputed transactions received after 120 days from the date of transaction are to be settled between issuer and acquirer bank through bilateral arrangement on good faith claim basis.

### 7.1.3. **Mechanisms for Settlement of Disputes:**

- i) **On-us Complaints:** These are complaints pertaining to our card holders transacting at our own ATMs. The complaints so received are settled based upon records available at our end as per the timeline mentioned above. However, if the complaint is rejected based upon the record available with the Bank and customer is not satisfied with the outcome, Bank will refer the matter to Internal Ombudsman (IO) of the Bank. If the matter still goes against the customer, s/he may approach Banking Ombudsman.
- ii) **Chargebacks:** These are complaints pertaining to our customers to have transacted with their cards at other Bank ATMs. For any such complaint received from our customers, the same is lodged with Dispute management System (DMS) system and the same is resolved (accepted / rejected) within the above mentioned time line
- iii) **Representation:** Based upon the records available with the Bank, a complaint is either accepted or rejected (represented) by the acquirer Bank (Bank whose ATM has been used for the transaction).
- iv) **Pre-arbitration :** If the complaint is represented (rejected) by the acquirer Bank and customer is not satisfied with the decision, then Bank can raise a pre-arbitration (after obtaining a written communication within 30 days from the date of representation by acquirer Bank) through DMS. On receipt of the complaint, acquirer Bank rechecks the record and accepts /rejects the pre-arbitration within 17 days from date of raising of pre-arbitration.
- v) **Arbitration:** If the pre-arbitration is rejected by the acquiring Bank and if the customer is still not satisfied , then Bank can raise the arbitration within 30 days from the date of rejection of pre-arbitration through DMS (after receipt of the consent from customer which is also to be uploaded in DMS). The case is decided (accepted / rejected) within a time window of 30 days by NPCI. It may be noted that for raising an arbitration, a fee of Rs.500/- plus tax is levied on the customer by NPCI, which is to be debited on the day of raising of arbitration. If the case is decided in favour of customer, the fee is reversed along with the disputed amount and penalty (if any decided by NPCI) else the amount is forfeited.

However, if the complaint is rejected during arbitration and customer is not satisfied with the outcome, Bank will refer the matter to Internal Ombudsman (IO) of the Bank. If the matter still goes against the customer, s/he may approach Banking Ombudsman.

## **7.2.Complaints relating to Net Banking/Mobile Banking/United Wallet/UPI:**

Grievances related to the following financial transactions shall be redressed by the concerned branch / ADC Department:

- i) Account debited but bill / tax payment and other utility payment not materialized.
- ii) Account debited but fund not credited to beneficiary a/c.
- iii) Account debited but fund not loaded in United Wallet .
- iv) Wallet A/c debited but transaction failed.

Customer may lodge complaint preferably through Grievance portal link (Customer Complaint Management System-CCMS) available on Bank's website or submit the complaint to any branch. If such complaint is received at branch, same is to be preferably uploaded in CCMS. (Branches to avoid duplicity towards lodging of complaints for better & efficient handling of complaints by Bank). Bank will ensure resolution of the same within the minimum possible time.

## **8. 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. Moreover special care is to be taken while dealing with the senior citizens, differently abled customers and customers belonging to weaker section of society.

As for the bank the feedback from customers would be valuable input for revising its product and services to meet customer requirements.

In order to encourage a formal channel of communication between the customers and the Bank at the Branch level, Branch Level Customer Committees have to be formed and to be further strengthened with greater involvement of customers. The Branch Level Customer Committees may preferably include a senior citizen as its member and its meeting should take place once a month. The said committee is to submit its report with the inputs / suggestions to the concerned Regional Office, which may be further be escalated to the Standing Committee on Customer Service through Customer Service Department of HO.

## **9. Sensitizing operating staff on handling complaints**

All the employees of the Bank are to 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 be able to win the customer's confidence. Imparting soft skills required for handling irate customers is to be made an integral part of training programmes. The Bank has already decided to include a session on customer service in all the training programmes up to middle management level. The staff rendering services related to technology based products/delivery channels to have good knowledge and eagerness to share the nuances of the product/delivery channel.

In order to improve the quality of customer service and to enable the staff to render quick services on the operational issues including credit, our Operations and Services Department has developed a new centralized online application named “**Quest**”, which is available to all the employees posted in Branches and offices. Under “**Quest**” online support to the field functionaries is provided for clarification of their doubts on operational banking issues with a view to providing prompt and efficient customer service at branch level.

It is the responsibility of the 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 Human Resource Department.