

CITY UNION BANK LIMITED, CENTRAL OFFICE

KUMBAKONAM



TRUST AND EXCELLENCE
Since 1904

POLICY FOR GRIEVANCE REDRESSAL

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1) Introduction:

Customer focus is one of the Bank's core values and a key factor in building trust, loyalty, and sustainable growth in today's competitive banking environment. As a service-oriented institution, the Bank acknowledges that customer complaints and grievances are an inevitable part of its operations. Rather than viewing them as setbacks, the Bank treats complaints as valuable feedback and opportunities to enhance service delivery, strengthen internal processes, and reaffirm its commitment to customer satisfaction.

This Customer Grievance Redressal Policy has been designed to establish a structured framework for the fair, transparent, timely, and judicious disposal of customer complaints. It not only provides a mechanism for resolving grievances but also seeks to minimize their recurrence by addressing the root causes through corrective and preventive action.

The policy is guided by the following principles and commitments:

- Customers shall be treated with fairness, courtesy, dignity, and respect at all times.
- Grievances will be acknowledged promptly and resolved within defined timelines, with the customer kept informed of progress.
- 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
- The Bank will take corrective and preventive measures, including process reviews and staff sensitization, to ensure similar issues do not recur.
- For greater transparency and customer awareness, the policy shall be made available in the public domain through the Bank's website and at branches.

2) Internal Ombudsman

2.1) Procedure for Complaint Redress by Internal Ombudsman:

The Bank uses a fully automated complaint management system to ensure timely and efficient redressal. Complaints that are Partially or Wholly rejected by the Bank's internal grievance mechanism are automatically escalated to the Internal Ombudsman within 20 days from the date of receipt, through the complaint management software.

The Internal Ombudsman and the Bank must ensure that the final decision on such complaints communicated to the complainant within 30 days from the date of receipt of the complaint by the Bank.

The Bank shall extend read-only access of its Complaint Management Software (CMS) to the Internal Ombudsman, enabling visibility into all customer complaints. This access will facilitate the Internal Ombudsman in monitoring and following up on cases where there are delays in escalation with the respective departments

The Internal Ombudsman shall be provided with read-only access to the Reserve Bank of India's Complaints Management System in order to monitor complaints forwarded by the RBI Ombudsman to the regulated entity, track the decisions made by the RBI Ombudsman on such cases, and, where applicable, review the decisions of the Appellate Authority under the Reserve Bank – Integrated Ombudsman Scheme. Upon the appointment of the Internal Ombudsman, the regulated entity shall initiate a formal request with the Consumer Education and Protection Department (CEPD) of the Reserve Bank to obtain the necessary read-only access.

The Bank shall provide all records and documents requested by the Internal Ombudsman to facilitate the prompt redressal and resolution of customer grievances.

The decision of the Internal Ombudsman shall be binding on the bank, except in instances where the entity has secured prior approval to deviate from the said decision.

If the Internal Ombudsman agrees with the Bank's decision to reject or partially reject the complaint, the response to the customer must clearly state that the complaint was reviewed by the Internal Ombudsman and the decision has been upheld, along with the reasons.

If the Internal Ombudsman disagrees and overrules the Bank's decision, the Bank may disagree with the IO's recommendation only with the approval of the Executive Director. In such cases, the customer must be informed that the Internal Ombudsman had overruled in their favour, but the Bank has disagreed with that decision after obtaining necessary approval. This communication must be sent within 7 days from the date the IO's decision is shared with the Bank. All such cases shall be reviewed quarterly by the Customer Service Committee of the Board or the Board.

For complaints that remain fully or partially rejected even after the Internal Ombudsman's review, the Bank must inform the complainant of their right to approach the RBI Ombudsman under the RBI-Integrated Ombudsman Scheme, 2021. The response must include the address of the Centralised Receipt and Processing Centre and the link to the RBI's Complaint Management System (CMS) portal for online submission.

The decision of the Internal Ombudsman shall be mandatorily included in the information submitted by the bank to the RBI Ombudsman, while furnishing documents related to the complaints received in the Office of the RBI Ombudsman.

In cases where the complainant has approached the RBI Ombudsman before the Internal Ombudsman has examined the complaint, the bank should obtain the views of Internal Ombudsman and include the Internal Ombudsman's views in its submissions to the RBI Ombudsman.

The Bank shall incorporate the analysis of complaints handled by the Internal Ombudsman into its training programmes and conferences to enhance frontline staff's understanding of complaint trends, root causes, and appropriate remedial actions. This practice aims to ensure consistency in complaint handling across the organization. Where required, the Internal Ombudsman may also participate in such training initiatives.

2.2) Reporting to Reserve Bank : -

The Bank shall put in place a system of periodic reporting of information of Internal Ombudsman(IO) to Consumer Education and Protection Department, Central Office, Reserve Bank of India, on a quarterly and annual basis as per formats provided by the CEPD,RBI from time to time. These reports shall be submitted on or before the 10th day of the month following the quarter/year for which they are due or as may be notified by RBI from time to time.

3) Internal Machinery to handle Customer complaints/ grievances:

3.1) Customer Service Committee of the Board:

The Committee provides policy guidance on customer service, oversees the effectiveness of the grievance redressal system, and reviews major areas of customer complaints and their resolution. It ensures that customer service standards are continuously improved in line with regulatory expectations.

3.2) Standing Committee on Customer Service:

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

The primary objective of this committee is to continuously monitors service quality across branches. It reviews customer feedback, Ombudsman cases, ATM and digital transaction issues, and provides timely corrective measures. The Committee also recommends service improvements, simplification of procedures, and introduction of new customer-friendly practices, with regular reports submitted to the Customer Service Committee of the Board

3.3) Principal Nodal Officer to handle complaints and grievances

The Bank would appoint a Principal Nodal Officer not below the rank of a General Manager who will be responsible for the implementation of customer service and complaint handling for the entire bank. The name and contact details of Principal Nodal Officer will be displayed on branch notice boards and Website. The Bank may appoint such other Nodal Officers to assist the Principal Nodal Officer as it may deem fit for operational efficiency.

4) Mandatory display requirements:

It is mandatory for the bank to provide;

- a) Appropriate arrangement for receiving complaints and suggestions.
- b) The name, address and contact number of Principal Nodal Officer
- c) Details of the complaint lodging portal of the Ombudsman (<https://cms.rbi.org.in>)
- d) Salient features of the RBI Integrated Ombudsman Scheme (RBI-IOS)
- e) Code of bank's commitments to customers/Fair practice code.

4.1) Complaints/Suggestions Box:

Complaints/Suggestions Box shall be provided at all the branches of the bank. Further at every branch of the bank a notice requesting the customers to meet the Branch Manager shall be displayed regarding grievances. Complaints received directly at branches either from customers in person or via suggestion boxes shall be recorded in the Customer Relationship Management (CRM). (<https://ccms.cityunionbank.in/ccmswebportal/complaintmaster.aspx>) Upon lodging the complaint, the customer shall receive an acknowledgement via SMS for the same

All such complaints shall be monitored by the Central Office, by coordinating with the departments concerned until final resolution. Complaint registers shall be maintained at the branch level and the same shall be verified by the inspecting official during their visit. Further, a complaint form along with the name, address and telephone numbers of the Principal Nodal Officer for grievance redressal shall be provided in the homepage of the Bank's website to facilitate complaint submission by the customers.

5) Resolution of Grievances:

The Complaint management and its redressal are now being digitized through Customer Relationship Management (CRM) process. This facilitates our customers to lodge their complaints directly into a portal hosted in our website and get their grievances redressed. The complaints recorded in CRM is acknowledged.

In addition to this, it evolves a mechanism to record and track the status of complaints by the customers till its completion.

Branch Manager is responsible for the resolution of complaints/grievances in respect of customer's service by the branch. He//She would be responsible for ensuring closure of all complaints received at the branches. It is his/her foremost duty to see that the complaint is 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 Central Office for guidance.

5.1) 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. Specific time schedule shall be set up for handling complaints and disposing them at all levels including branches and central office. Branch manager should try to resolve the complaint within the specified time frames as furnished hereunder.

NATURE OF COMPLAINT	TIME LIMIT FOR REDRESSAL
Deposits Rate of interest, issue of deposit receipts, standing instructions, issue of passbooks etc.,	30 days
Advances Rate of interest, processing, bank guarantees etc.,	30 days
Bills, DDs, Cheques Issue, Collection etc.,	15 days
Service Charges	15 days
Service Related Complaints Deficiency in customer service	20 days
Safe Deposit Lockers	15 days
Cash Handling	15 days
ATM Related Complaints	7 days
Others	15 days

Vide RBI – IOS (RBI – Integrated Ombudsman Scheme 2021) dated 05.08.2022, it has been stipulated that

The Bank shall, on receipt of the complaint, file its written version in reply to the averments in the complaint enclosing therewith copies of the documents relied upon, within 15 days before the Ombudsman for resolution.

Provided that the Ombudsman may, at the request of the bank in writing to the satisfaction of the Ombudsman, grant such further time as may be deemed fit to file its written version and documents.

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. All Branches shall maintain a separate complaint register and record all the complaints / grievances received by them directly or through the Central Office along with the Action taken on complaints received.

6) 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 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 customer requirements.

7) Sensitizing operating staff on handling complaints:

Staff should be properly trained for handling complaints. As the bank is dealing with people and hence difference of opinion and areas of friction can arise. With an open mind and a smile on the face customer's confidence can be won. Imparting soft skills required for handling irate agitated customers, will be an integral part of the training programs. 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 Human Resources Management Department.

8) Analysis and Disclosure of complaints:

In tune with the Guidelines of Reserve Bank of India, a statement of complaints and its analysis and the details of unimplemented awards of the Banking Ombudsman shall be disclosed along with the financial results. The Bank shall place a statement of complaints before the Board / Customer Service Committees along with an analysis of the complaints which received on a quarterly basis. Further, a detailed statement of complaints and its analysis shall be placed in the Bank's website for the information of the general public at the end of each financial year.
