

FINO Payments Bank
Customer Grievance Redressal Policy

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1. Policy Usage Guide

This section explains the structure of the policy document and the purpose of the same is to enable easy navigation and understanding of the contents of the document by various stakeholders. The Policy is organized in the following sections:

- **Regulatory reference**

This section outlines the list of applicable regulations to the current policy document along with the date and reference number will be listed under this section.

The purpose of the same is to enable stakeholders in identification of applicable regulations for the policy and act as a ready reference for the regulations.

- **Key stakeholders and roles**

Under this section, a list of all the key stakeholders involved in the design, review, approval and implementation of the policy are identified and the major roles to be performed by them are listed. This section enables various stakeholders in understanding their respective roles with regard to the current policy document.

- **Frequently asked questions**

This section lists down the frequently asked questions with respect to the current policy document from the perspective of various stakeholders and gives a reference to the relevant section of the policy.

- **Policy content**

This section contains various aspects of the policy design and implementation as per the applicable regulatory guidelines. This section outlines the action required by various stakeholders of the Bank for implementation of the policy.

- **Glossary**

This sections contains the definition of key terms used in the policy as per the applicable regulatory guidelines and industry standards.

2. Regulatory Reference

The following key regulation is applicable to the current policy document.

Regulator	Regulation name	Date	Regulation code
RBI	Master Circular on Customer Service in Banks	1 st July 2015	RBI/2015-16/59 DBR.No.Leg.BC. 21/09.07.006/2015-16

3. Key Stakeholders and Roles

The focus of this document is to give the Bank employees and customers an insight into the grievance redressal mechanism implemented in the Bank. The policy document highlights important points viz. complaint registration process, complaint management system, timeline for resolution, escalation matrix and the stakeholders entrusted with the task of implementing this policy. We have charted out the key activities that need to be undertaken by the Bank to implement this policy in its true spirit.

1) Complaint Management System (CMS)

The Bank must have a robust CMS that is able to register, track and auto-escalate complaints registered by a customer. This system will be capable of handling complaints from all channels mentioned in para 5.3.2 of the policy document. The system should be capable of giving unique reference numbers to each of the complaints along with intimations to the customer at registration & resolution.

2) Appointment of Key Stakeholders

The key appointments the Bank needs to ensure are:

- **Branch Manager / Channel:** Being in a customer facing role, the Branch Manager / Channel (BC / Merchant) is the first point of contact for the customer. The target should be to resolve complaints expeditiously and within the stipulated timeline.
- **Nodal Officer:** These are officers placed at the Region and they are the first point of escalation. These officers are also the liaising officers with RBI. A Nodal officer may act as incharge for more than one region based on internal allocation.
- **Principal Nodal Officer:** This should be an employee of a senior rank (General Manager or equivalent) who will monitor the entire customer service mechanism and identify areas of improvement.
- **Customer Service Committee of the Board (CSCB):** The Bank needs to constitute a Board approved CSCB whose role will be to review the customer service mechanism in the Bank and also deliberate on innovative measures to enhance customer satisfaction. The charter and terms of reference of the committee is as per the approved Board Governance manual.

- **Standing Committee on customer service (SCCS):** The Bank also needs to constitute a Board approved SCCS who are in charge of ensuring compliance to the regulatory and BCSBI guidelines. The charter and terms of reference of the committee is as per the approved Management Governance manual.
- **Branch level customer service committee:**
 - This committee should be set up at the branch level to gather suggestions from the customers.
 - In order to encourage a formal channel of communication between the customers and the bank at the branch level, FINO will take necessary steps for strengthening the branch level committees with greater involvement of customers. It will be ensured that branch level committees include their customers too.
 - Further, as senior citizens usually form an important constituent in banks, a senior citizen will also be included therein.
 - The Branch Level Customer Service Committee may meet at least once a month to study complaints/ suggestions, cases of delay, difficulties faced / reported by customers / members of the Committee and identify ways and means of improving customer service.
 - The branch level committees may 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.
- **Merchant Channel Customer Service.** FINO will ensure that the working of these agents are closely monitored by the Branch officials, who should specifically look into the functioning of Merchants / BCs during the course of their periodical visits to the branches.

4. Frequently Asked Questions

What is the mechanism for resolution of a complaint raised by a customer of the Bank?

The customer may register a complaint either verbally, orally, through an email, or call the call center of the Bank. All complaints notified are inputted on a CRM/CMS system. The inbuilt system workflow, automatically apprises the concerned Branch manager of the complaint. Depending on the degree and type of complaint, defined timelines are specified to ensure timely closure of the complaint. *(Details on the same have been mentioned in detail in the policy).* Should the complaint not be addressed within the specified timelines, the complaint is escalated to a higher authority. In case the customer is not satisfied with the resolution, he may escalate the same to the nodal officer. *(Details on the same have been mentioned in detail in the policy).*

5. Policy Content

5.1 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 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.

5.2 Objective

The objective of the policy is to ensure that:

- All customers are treated respectfully, fairly and without bias at all times.
- All issues raised by customers are dealt with courtesy, efficiency and resolved on time.
- Customers are made completely aware of their rights so that they can opt for alternative remedies if they are not fully satisfied with our response or resolution to their complaint.
- All employees will work in good faith and without prejudice to the interests of the customer.

5.3 Approach

5.3.1 Registration of Complaints

Customer can register the complaint in writing, telephonically or via an email or mobile banking or through website.

At the branch, customers can speak to branch officials for resolution of their issues or register their grievances through the complaint book available in the branches. Similarly, the customer can lodge the complaint with merchant / BC.

Alternatively, customers can drop their complaint/feedback in the boxes made available. The customers can also register complaints through websites, e-mail, letters or by calling in at our call centre.

Customers can also contact our Customer Care officers over the phone for redressal of issues or send an e-mail at or write to us at: **FINO Payment Bank Limited**.

Customers can also lodge a complaint using the Complaint Registration Form placed on the corporate website www.finobank.com

All customers registering a complaint will get an acknowledgement of the same from the Bank.

5.3.2 System to capture complaints

- FINO Payment Bank has in place a CRM/CMS system to enable efficient and effective tracking and resolution of complaints.
- All complaints from the customers, shall be logged into CRM/CMS software. With this the bank shall not only ensure that all the complaints received are recorded and resolved, but shall also ensure effective monitoring / escalation mechanism to the senior functionary responsible so as to make sure that none of the complaints remain unresolved.
- The internal mechanism for recording and resolution of complaints shall function efficiently at all times and shall be monitored on daily basis. The staff too would be trained for handling complaints efficiently with an open mind and smiling face.
- The system will also be used to deal with the issues relating to services provided by Outsourced Agencies and the bank will ensure that the respective outsourcing service providers resolve customer issues expeditiously and effectively.
- The system will also be available for resolving issues related to the distribution of Non risk taking products such as Insurance, Micro finance products, Loan Products and mutual funds, undertaken by the bank as a certified corporate agent.
- Currently, the bank has put in place a separate Operating Manual called “Grievance and Customer Handling for Insurance”. The Manual defines the grievance handling procedure for insurance products being solicited by the bank in terms of bank’s policy on soliciting and servicing insurance products. The Turnaround Time (TAT) for disposal of complaints has also been defined in the Manual in line with the requirements of IRDA. As such, complaints relating to insurance will continue to be dealt with as per the Manual

5.3.3 Resolution of Complaints

General Guidelines

- The complaints will be thoroughly analyzed. Specific timelines have been established for handling complaints and resolving them at all levels including branches, zonal and head office.
- The complaints received at the BC or Merchant banking level shall be entered into the automated system. The workflow of the system allows the complaint to be automatically sent to the concerned Branch manager of the branch to which the BC / Merchant is linked.
- Details of the Complaints not redressed within one month will be escalated automatically through the system to the concerned Nodal Officer under the Banking Ombudsman Scheme and keep him updated regarding the status of the complaint.
- Branch and zonal office must input action taken on the various complaints, and ensure action taken report are circulated through the system, to the Head office at the end of every month.
- The Bank shall ensure that all final written responses to customers contain the mandatory clause to make customers aware of their rights to approach the Banking Ombudsman.

5.3.4 Redressal at call centres

The Bank shall ensure that the call centre staff is trained adequately to competently handle all customer complaints.

The bank needs to provide the call center staff with access to the system. All unresolved complaints/ complaints that require Bank's employee's input needs to be escalated automatically through the system to higher authorities and the details of such mechanism will be made available on the public domain through their website.

5.3.5 Timeline for responding/resolving complaints

- Normal cases (other than the one mentioned below): 7 working days
- Fraud cases, Legal cases and cases which need retrieval of documents and exceptionally old records: 15 working days
- Cases involving third party (other Banks): 30 working days
- ATM Failed Complaints will be resolved within 7 working days.
- NEFT/RTGS complaints will be resolved within 3 working days.
- All Dispute related cases: 7-30 working days as per NPCI Guidelines
- Insurance Related cases: 15 Calendar days as per IRDA Guidelines
- If any case needs additional time, the Bank will inform the customer/regulator the reasons of delay in resolution and provide expected time lines for resolution of the issue

Turnaround time for resolution of the complaints are defined/ separately documented, including an escalation matrix.

5.3.6 Role of Branch Manager

- The Branch Manager is responsible for the resolution of complaints/grievances in respect of customer's service by the branch. He shall also ensure closure of all complaints received at the branches and flag closure of a complaint on the system.
- In case the complaint is not resolved to the customer's satisfaction, the Branch Manager will provide 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 Regional or Zonal Office for guidance. Similarly, if Regional or Zonal office finds that they are not able to solve the problem such cases may be referred to the Nodal Officer.

5.3.7 Escalation of Complaints

Nodal Officer

If the customer's issue is not resolved even after contacting various complaint resolution channels, he/she can write to the Nodal Officer. FINO Payment Bank has placed nodal officers in every region for better monitoring. *(A nodal officer may act as incharge for more than one region)*

In addition, the Bank has also appointed a Principal Nodal Officer of the rank of General Manager (or its equivalent) at the Head Office for the implementation of customer service and complaint handling for the entire bank. 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 feedback on training needs of staff at various levels to the HR Dept.

These nodal officers will be the first instance with whom RBI and the Banking Ombudsman will liaise.

Banking Ombudsman

In case the customer is not satisfied with the response from the Bank, customers will have the right of approaching the Banking Ombudsman (BO). The details of BO are made available at the branches and also on the Bank's website.

5.3.8 Role and responsibility of various committees constituted in the bank

- **Customer service committee of the Board**

FINO Payment Bank has constituted Customer Service Committee of the Board. The members of the committee include experts and representatives of the customers as invitees.

An illustrative role of the Customer Service Committee is as under:

- Oversee the implementation of various customer service guidelines as mandated by Reserve Bank of India and Banking Codes and Standards Board of India
- Address issues of systemic deficiencies existing in banks, if any, brought out by the Banking Ombudsman awards;
- Report to the Board instances where awards remained unimplemented without valid reasons and for initiating necessary remedial action.
- Review customer service initiatives and deliberate innovative measures for enhancing the quality of customer service and improving overall service levels.
- Address the following viz. formulation of a comprehensive deposit policy, the treatment of death of a depositor for operations of his account, product approval process with a view to suitability and appropriateness, annual survey of depositor satisfaction and triennial audit of such services.
- Any other issue impacting quality of customer service
- This Committee would also review the functioning of Standing Committee on Customer Service.

The detailed charter and terms of reference will be as per the approved Board Governance manual.

- **Standing committee on customer service**

Standing Committee on Customer Service to be set in place, which shall be chaired by the MD & CEO besides two or three senior executives, the committee will also include eminent members drawn from the public to enable an independent feedback on quality of customer service rendered by the bank. The Committee focuses on building and strengthening customer service orientation in the Bank through initiating various measures including simplifying processes for improvement in customer service levels. The Committee holds quarterly review meetings to discuss service updates, ongoing projects specifically targeted towards improvement of customer service and appropriate actions arising from discussions.

The Committee carries out the following specific functions:

- Evaluate feedback on quality of customer service received
- Review the practice and procedures prevalent in the bank and take necessary corrective action, on an ongoing basis by ensuring through formulation of procedures and operational practices.
- Review comments/feed-back on customer service and implementation of Bank's Code of Commitments to Customers formulated by Banking Codes and Standards Board of India (BCSBI).
- Review complaints related to non-compliance of Code of Commitment.
- Submit report on its performance to the Customer Service Committee at quarterly intervals

The detailed charter and terms of reference will be as per the approved Management Governance manual.

- **Branch level customer service committee**

In order to encourage a formal channel of communication between the customer and the bank at the branch level, the bank shall take necessary steps to strengthen the branch level committees with greater involvement of customers. The branch level committees may include their customers too. Further, as senior citizens usually form an important constituent in banks, a senior citizen may preferably be included therein. The branch level Customer Service Committee may meet at least once a month to study the complaints / suggestions, cases of delay, difficulties faced / reported difficulties faced / reported by customers / members of the Committee and evolve ways and means of improving customer service. The branch level committees may 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.

5.3.9 Role of Principal Nodal Officer

- Designing the customer service, grievance redressal and related policies and procedures and get the same approved by relevant authority
- Assist the head of customer service review and approval of all products and processes from the customer service perspective

- Conduct of Customer Service surveys to learn more about hidden complaints as approved by the Standing Committee on Customer Service and initiate corrective action wherever necessary
- Review the comments of auditors on implementation, of Customer Service and grievance redressal policies and initiate corrective action wherever necessary
- With the help of data collected from feedback, complaints, customer service surveys and audits, do root cause analysis of issues with most impact and / or those which constantly recur, to identify the processes that need to be corrected to prevent recurrence
- Convene meeting of the Standing Committee on Customer Service and Customer Service Committee of the Board and to implement their directions in a time bound manner
- Ensure prompt submission of all reports and returns to RBI and other statutory regulatory bodies relating to Customer Service
- Take all other actions and initiatives necessary to improve the quality of Customer Service, on a continuous basis, including implementation of Complaint management system
- To coordinate and ensure that the bank's Regional Customer Service Officers work effectively and efficiently
- Meeting with all the Regional Customer Service officers to discuss possible improvements to customer service
- Suggest implementation of capacity building initiatives, in collaboration with other functional heads and the training establishments, to enable the front office and back office staff to deliver quality customer service

5.4 Other Instructions

5.4.1 Mandatory Display of Information

Branch Display

- Names, complete address and contact details of the officials who can be contacted for redressal of complaints.
- Name and other details of the concerned Nodal Officer appointed under the Banking Ombudsman Scheme, 2006.
- The above mentioned details to be updated in case of any changes.

Website Display

- Names and other details of the officials at the Head Office/Regional Offices/Zonal Offices who can be contacted for redressal of complaints including the names of the Nodal Officers/Principal Nodal Officers. The details of the Principal Nodal Officer needs to be

prominently displayed in the portal of the bank preferably on the first page of the web-site.

- Names and other details of the CMD/CEO and also Line Functioning Heads.
- Brief details of the complaints received at Head Office/Controlling Office (no. of complaints and their financial results). Complaints redressed within the next working day, need not be included.

5.4.2 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. The structured customer meets will (i) give a message to the customers that the bank cares for them (ii) the Bank values customer feedback/suggestions (iii) increase awareness of banking services (iv) help customers appreciate banking services better and (v) provide a valuable input for revising its product and services to meet customer requirements.

5.4.3 Disclosures

The bank shall ensure to have a system of acknowledging customers' complaints for follow up, such as complaint number / docket number, even if the complaints are received on phone.

6. Glossary

CRM- Customer Relationship Management

NEFT- National Electronic Funds Transfer (NEFT) is one of the most prominent electronic funds transfer systems of India. Started in Nov.-2005, NEFT is a facility provided to bank customers to enable them to transfer funds easily and securely on a one-to-one basis. It is done via electronic messages.

RTGS- Real-time gross settlement systems (RTGS) are specialist funds transfer systems where transfer of money or securities takes place from one bank to another on a "real time" and on "gross" basis. Settlement in "real time" means payment transaction is not subjected to any waiting period.

Banking ombudsman- Banking Ombudsman is a quasi-judicial authority functioning under India's Banking Ombudsman Scheme 2006, and the authority was created pursuant to a decision made by the Government of India to enable resolution of complaints of customers of banks relating to certain services rendered by the banks.

BCSBI- Banking Codes and Standards Board of India