



**Utkarsh Small Finance Bank**

**GRIEVANCE REDRESSAL POLICY**

**Version: 7.0 (Dec 31, 2022)**

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## 1. Introduction

- Utkarsh Small Finance Bank Limited is a wholly owned subsidiary of Utkarsh Core Invest Limited (formerly known as Utkarsh Micro Finance Limited). It aims to provide affordable & accessible banking services which are process centric, technology enabled, and people oriented, resulting in reliable, scalable and sustainable institution facilitating socioeconomic change.

The Bank aims to provide banking services to all sections of the Society, with special focus on extending such services to the unserved and underserved sections of the country, which includes small and marginal farmers, micro and small industries other organized sector entities, at an affordable cost. The Bank's vision is to be the most trusted, digitized bank that is financially and socially inclusive, and creates value across social strata through insightful and viable solutions.

- Banks are service organisations and as such, the Bank assures prompt and efficient service to all its customers. However, at times customer complaints may arise due to deficiency in service delivery, as experienced/perceived by customers vis-à-vis services assured and/or expected. This Policy lays down the framework for redressal of customer grievances/complaints.

## 2. Applicability

This Policy is applicable to all customers of the Bank, irrespective of the product or service that they have availed from the Bank including third party products distributed/ referred by the Bank. This Policy also covers customers serviced through Banking Correspondents (BC) and outsourced partners, appointed by the Bank.

## 3. Objective

- This policy aims to provide a structured mechanism for receipt/resolution of customer complaints and an efficient review mechanism to improve product/service delivery based on review/analysis of complaints. The Bank's policy on grievance redressal strives to ensure that:

1. Customers are always treated fairly and the Bank's employees work in good faith without prejudice to the interests of customers.
2. Complaints received from customers are dealt with courtesy and resolved efficiently.
3. Complaint resolution by the Bank is fair, consistent and in accordance with applicable rules and regulations
4. 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/ resolution provided by the Bank.

- The Policy would be available on the notice board of all branches and also on the Bank's website to ensure that all customers are aware of the complaint submission and escalation process. Further, the Bank would ensure that the employees are aware about this Policy and the complaint resolution process.
- A customer has full right to register his complaint if he is not satisfied with the services provided by the Bank. He can communicate his complaint in writing, orally or over telephone. If a customer's complaint is not resolved within a reasonable/assured time frame or if he is not satisfied with the solution provided by the Bank, he may approach the Banking Ombudsman with his/her complaint or pursue other legal avenues available for grievance redressal.
- In line with RBI guidelines, all customer claims pertaining to unauthorised Electronic Banking transactions will be governed by the Consumer Protection Policy of the Bank, a copy of which is available on the Bank's website.

#### **4. Definition of Query and Complaint**

This section deals with broad definition and illustrative examples of Queries and Complaints, to facilitate accurate logging of issues raised by the customers during their interaction with the customer touchpoints of the Bank such as branches, Contact Centre, etc.

##### **4.1 Query:**

A Query is:

- a) Any doubt/ enquiry of the customer
- b) Clarification/ additional information sought by the customer
- c) Information/ clarification/ status update sought by a customer for service/ deliverables before expiry of the turnaround time (TAT) specified for such service/ deliverables

##### **4.2 Complaint:**

A Complaint is:

- a) An expression of dissatisfaction/grievance/ protest by the customer
- b) A dispute raised by the customer regarding any transaction
- c) Delay in fulfilment of customer requests beyond the specified TAT. Examples of complaints:
  - i. Address change request given by customer not fulfilled
  - ii. Cash not dispensed/ less cash dispensed from ATM, etc.

#### **5. Registration of Complaints**

The Customers can lodge/ register their complaints and seek redressal/ resolution through any of the following channels:

- i. All Banking outlets/ branches
- ii. Physical letters to Head Office
- iii. Contact Centre/ Customer Care by dialing the toll-free numbers or by email addressed to [customercare@utkarsh.bank](mailto:customercare@utkarsh.bank)
- iv. Bank's Website and Online Dispute Resolution Portal

- v. Internet Banking / Mobile Banking
- vi. SMS to Virtual Mobile Number for raising transactional disputes

Complaints/Suggestions Box are also provided at all branches / offices of the Bank to enable the customers to lodge complaints. Further, at every branch & office of the bank a notice requesting the customers to meet the branch manager shall be displayed regarding grievances, if the grievances remain unredressed.

## **6. Sources of Grievances**

Apart from grievances received directly from customers, grievances received through various authorities including the Reserve Bank of India, Banking Ombudsmen, IRDAI, Centralized Public Grievance & Monitoring System (CPGRAMS), etc. shall be handled centrally.

## **7. Acknowledgement & resolution of complaints**

- All complaints received orally or in writing or through email, is being recorded in the Bank's Customer Relationship Management (CRM) application and assigned to the respective Branch/ unit for resolution.
- All complaints received is acknowledged by the Bank, assigned a reference no., which is communicated to customers for their information and follow up/escalation, if required.
- This ensures closure of all complaints received within the timeframe communicated to the customer, in any case not later than the timeframe provided in Section 8 below.
- Further, a complaint form, along with the name of the Nodal Officer for complaint redressal, may be provided in the homepage itself to facilitate complaint submission by customers. The complaint form shall also 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. Similar information shall be displayed in the notice board of all the branches of the Bank to indicate the name and address of the Banking Ombudsman. In addition, the name, address and telephone numbers of the Controlling Authority of the bank to whom complaints can be addressed shall also be given prominently.
- The Branch Head is responsible for resolution of complaints received by the branches and/or pertaining to service rendered by the branches. He would ensure that the complaint is resolved completely to the customer's satisfaction and ensure closure of all complaints received within the timeframe communicated to the customer and in any case not later than the timeframe provided in Section 8 below. Accordingly, a notice is displayed at all branches, requesting customers to meet the Branch Head regarding their grievances, if their grievances remain unresolved.

### **7.1 Grievances received by the Bank as Corporate Agent for Insurance Business**

- The Bank as corporate agent shall take adequate steps for redressal of grievances of its clients maximum within 12 days of receipt of such complaint and keep the Insurance Regulatory and Development Authority of India (IRDAI) informed about the number, nature and other particulars of

the complaints received from such clients in format and manner as may be specified by the IRDAI time to time.

## **7.2 Grievance Redressal Mechanism**

The Bank shall:

- i. Ensure that the complaint registers are kept at prominent place in their branches which would make it possible for the customers to enter their complaints.
- ii. Have a system of acknowledging the complaints, where the complaints are received through letters / forms.
- iii. Fix a time frame for resolving the complaints received at different levels.
- iv. Ensure that redressal of complaints emanating from rural areas and those relating to financial assistance to Priority Sector and Government's Poverty Alleviation Programme also form part of the above process.
- v. Prominently display at the branches, the names of the officials who can be contacted for redressal of complaints, together with their direct telephone number, fax number, complete address (not Post Box No.) and e-mail address, etc., for proper and timely contact by the customers and for enhancing the effectiveness of the redressal machinery.
- vi. The names of the officials displayed at the branches who can be contacted for redressal of complaints should also include the name and other details of the concerned Nodal Officer appointed under the Banking Ombudsman Scheme, 2006.
- vii. The Bank should display on their web-sites, the names and other details of the officials at their Head Office / Regional Offices / Zonal Offices who can be contacted for redressal of complaints including the names of the Nodal Officers / Principal Nodal Officers.
- viii. Display on the website, the names and other details of the MD & CEO and also Line Functioning Heads for various operations to enable their customers to approach them in case of need, if necessary.

## **8. Timeframe for complaint resolution**

- The Bank would ensure urgent and efficient resolution of all complaints received. Depending on the nature of grievances, the timelines for resolution of grievances is given below:

| <b>Nature of Grievances</b>   | <b>Turn Around Time</b> |
|---|-------------------------|
| Normal grievances (other than the one mentioned hereunder)  | Within 10 working days  |
| Grievance received by Bank as corporate agent for third party business  | Within 12 working days  |
| Grievances pertaining to frauds which require analysis/investigation, legal cases and cases which require retrieval of documents and records > 3 months old | Within 21 working days  |
| Grievances involving third parties / other Banks  | Within 30 working days  |
| Data Privacy Grievances   | Within 30 working days  |

|                           |                                   |   |
|---------------------------|-----------------------------------|---|
| Chargeback/<br>Grievances | Transaction<br>Dispute<br>related | Within 45 working days or as per<br>VISA/Mastercard/ Rupay Card<br>guidelines, whichever is lower |
|---------------------------|-----------------------------------|---|

- In case a complaint requires additional time for resolution, the Bank proactively informs the customer explaining the reason for the same and specifies the additional time required for resolution.

## 9. Escalation of complaints

### 9.1 Level 1: Nodal Officer

If a complaint is not resolved within the stipulated/assured timeframe or if the customer is not satisfied with the resolution provided, she/he may choose to escalate the same to the concerned Nodal Officers, as detailed below:

- The designated Nodal Officer for services rendered by all branches would be the respective Zonal Operations Head who may be contacted at below email id.

E-mail: [nodal.officer@utkarsh.bank](mailto:nodal.officer@utkarsh.bank)

- TAT for resolving the complaint is 10 working days from the date of receiving the complaint.
- If the complaint is unattended or not resolved by Nodal Officer within 10 working days from the date of receiving the complaint, it will assign to the Principal Nodal Officer (PNO) of the Bank for resolution.

The contact details of the respective Nodal Officers are displayed on the Comprehensive Notice Boards of all branches and on the website of the Bank.

### 9.2 Level 2: Principal Nodal Officer

If a customer is not satisfied with the response/resolution provided by the designated Nodal Officer or if no response has been received from the Nodal Officer within 10 days of escalation of the complaint to him, the complaint may be escalated to –

Mr. Aravind Khandelwal  
Principal Nodal Officer  
Utkarsh Small Finance Bank Ltd.  
S-24/1-2, 2nd Floor, Mahavir Nagar,  
Orderly Bazaar, Varanasi,  
Uttar Pradesh, PIN -221002 E-mail: [pno@utkarsh.bank](mailto:pno@utkarsh.bank)  
Tel. No.: 91- 8189043404 / 0542-7109208

The Principal Nodal Officer appointed under the Banking Ombudsman Scheme shall be of a sufficiently senior level, not below the rank of a General Manager or equivalent.

Contact details including name, complete address, telephone / fax number, email address, etc., of the Principal Nodal Officer shall be prominently displayed in the portal of the bank preferably on the first page of the web-site so that the aggrieved customer can approach the bank with a sense of satisfaction that she / he has been attended at a senior level.

The name and address of the Principal Nodal Officer shall also be forwarded to the Chief General Manager, Customer Education and Protection Department, Reserve Bank of India, Central Office, 1st Floor, Amar Building, Sir P.M.Road, Mumbai-400 001 (email).

### **9.3 Level 3: Banking Ombudsman**

In case the customer is not satisfied with the resolution provided by the Bank to the complainant or if the customer's complaint has not been resolved by the Bank within **one month** of receipt of the complaint or the committed timelines for resolution, the customer may escalate the complaint to the Banking Ombudsman appointed by the Reserve Bank of India. The name and contact details of the concerned Banking Ombudsman are displayed at all branches.

Where the complaints are not redressed within one month, the concerned branch / Controlling Office should 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 would enable the Nodal Officer to deal with any reference received from the Banking Ombudsman regarding the complaint more effectively. Further, it is also necessary that the customer is 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, the Bank shall indicate that the complainant can also approach the concerned Banking Ombudsman. The details of the concerned Banking Ombudsman should also be included in the letter.

## **10. Internal Review Mechanism**

The Bank has set up the following committees to monitor and review customer service delivery and grievance redressal mechanism of the Bank.

### **10.1 Customer Service Committee of the Board**

The Bank shall constitute Customer Service Committee of the Board (CSCB) which shall 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 Bank and also to bring about ongoing improvements in the quality of customer service provided by the Bank.

The Customer Service Committee of the Board reviews the working of the Bank's Standing Committee on Customer Service and inter-alia monitors customer grievances, including those pertaining to group entities and subsidiaries and also monitors the implementation of awards issued under the Banking Ombudsman Scheme. It reviews the implementation of service enhancement initiatives in the Bank and adherence to the customer service guidelines mandated by the Reserve Bank of India. The Bank shall review customer service / customer care aspects in the bank and submit a detailed memorandum



in this regard to the Board of Directors, once every six months and initiate prompt corrective action wherever service quality / skill gaps have been noticed.

Further, with a view to enhancing the effectiveness of the Customer Service Committee, the Bank shall also:

(a) place all the awards given by the Banking Ombudsman before the Customer Service Committee to enable them to address issues of systemic deficiencies existing in banks, if any, brought out by the awards; and

(b) place all the awards remaining unimplemented for more than 03 months with the reasons therefor before the Customer Service Committee to enable the Customer Service Committee to report to the Board such delays in implementation without valid reasons and for initiating necessary remedial action.

### **10.2 Standing Committee on Customer Service**

The Standing Committee on customer service shall be chaired by the MD & CEO or ED and include non-officials as its members to enable independent feedback on the quality of customer service rendered by the bank. The Committee meets at quarterly intervals and monitors the resolution of customer grievances as well as implementation of measures to improve service delivery, based on analysis of complaints received and customer feedback received at the monthly Branch Level Customer Service Committee meetings. Customer representatives are invited to attend the meetings of this Committee.

A brief report on the performance of the Standing Committee during its tenure indicating, inter alia, the areas reviewed, procedures / practices identified and simplified / introduced shall be submitted periodically to the Customer Service Committee of the Board.

### **10.3 Branch Level Customer Service Committees**

The Branch Level Customer Service Committees provide a monthly forum for direct interaction with a cross-section of branch customers for sharing their views on branch service and measures to improve service. The Branch Level Committees shall include the customers of the Bank too. Further, as senior citizens usually form an important constituent in the Bank, a senior citizen shall preferably be included therein. The Branch Level Customer Service Committee shall meet at least once a month to study complaints/ suggestions, cases of delay, difficulties faced / reported by customers / members of the Committee and evolve ways and means of improving customer service. The Branch Level Committees shall also submit quarterly reports giving inputs / suggestions to the Standing Committee on Customer Service of the Bank 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.

### **10.4 Internal Ombudsman:**

The Bank has also appointed an Internal Ombudsman, as per the guidelines prescribed by the Reserve Bank of India. Complaints that are partly or wholly rejected by the Bank's internal grievance redressal mechanism are referred to the Internal Ombudsman, an independent authority, before communicating the decision to the customer.

## **11. Record Keeping**

All documents with respect to Customer's Grievance Redressal i.e. customer complaints received and resolution provided would be retained by the Bank for 10 years from the date of resolution.

## **12. Disclosure**

The Bank shall place a statement of complaints before their Boards / Customer Service Committees along with an analysis of the complaints received. The complaints should be analyzed (i) to identify customer service areas in which the complaints are frequently received; (ii) to identify frequent sources of complaint; (iii) to identify systemic deficiencies; and (iv) for initiating appropriate action to make the grievance redressal mechanism more effective.

The Bank shall also place the detailed statement of complaints and its analysis on its web-site for information of the general public at the end of each financial year. The Bank shall also include all complaints pertaining to ATM cards issued by them in their disclosures.

These disclosures are intended to provide to the customers of banks and members of public greater insight into the volume and nature of complaints received by the banks from their customers and the complaints received by banks from the OBOs (Offices of Banking Ombudsman), as also the quality and turnaround time of redress.

Therefore, in line with the format as prescribed by the RBI vide circular no. RBI/2020-21/87 CEPD.CO.PR.D.Cir.No. 01/13.01.013/2020-21 dated January 27, 2021 (i.e. circular on Strengthening of Grievance Redress Mechanism in Banks) as amended from time to time, the Bank shall, at the minimum, disclose in the 'Notes to Accounts' of the Annual Report, the information on Complaints received from the customers & Grievance redressed by the Bank.

The Bank shall disclose the brief details regarding the number of complaints along with their financial results in line with the format as prescribed by the RBI vide circular no. RBI/2020-21/87 CEPD.CO.PR.D.Cir.No. 01/13.01.013/2020-21 dated January 27, 2021 (i.e. circular on Strengthening of Grievance Redress Mechanism in Banks), as amended from time to time. This statement shall include all the complaints received at the Head Office / Controlling Office level as also the complaints received at the branch level. However, where the complaints are redressed within the next working day, the Bank need not include the same in the statement of complaints. This is expected to serve as an incentive to the Bank and its branches to redress the complaints within the next working day.