

THE ADARSH COOPERATIVE URBAN BANK LTD,
Head Office: IDA JEEDIMETLA, HYDERABAD.



Grievance Redressal Policy

Policy ID	GRP-FY2024-25
Policy Name	Grievance Redressal Policy
Soft Copy File Name	Grievance Redressal Policy.DOC
File Server Location	Circulars\Policies\Updated Policies 2024-25\Others
Version	Version 3.0
Financial Year	FY24-25
Board Review Date	29th March '2025
Prepared By	Mr. Ayyapa Naidu Chimata
Reviewed By	Mr. M V Ramana

Version History

Version	Financial Year	Soft Copy File Name & Location
Version 3.0	Year 2025	\\File Server\circulars\Policies\Updated Policies 2024-25\Others\ Grievance Redressal Policy.DOC
Version 2.0	Year2024	\\ File Server \circulars\Policies\Updated Policies 2023-24\Others\ Grievance Redressal Policy.DOC
Version 1.0	Year2023	\\ File Server \circulars\Policies\ Grievance Redressal Policy.DOC

GRIEVANCE REDRESSAL POLICY

1. Introduction:

Customer focus is one of the core values. The Bank has a holistic approach towards setting up service standards and continuously improvising customer experience based on industry practice as well as customer feedback across multiple channels. The Bank ensures to provide multiple channels to customers to provide feedback on the services of the Bank as well as to lodge their complaints/grievances. The Bank aims to ensure quick and effective handling of customer grievances, as well as prompt corrective & preventive action (including correction of the process, wherever required) in order to avoid recurrence.

In order to meet the above objective, the Bank has outlined a framework for redressal of customer grievances and documented it in the form of a policy for the reference of customer touchpoints.

The Bank shall ensure that the Customer Grievance Redressal Policy is also available in public domain (on its website and at branches).

2. Scope and Objectives:

The objective of the policy is to spell out the framework for Grievance Redressal in the Bank

- a) All customers are always treated fairly and in an unbiased manner
- b) All issues raised by customers are dealt with courtesy and resolved within the TAT.
- c) Customers are made completely aware of the avenues to escalate their grievance within the bank and their rights to alternate remedies if they are not fully satisfied with the response or resolution to their grievance
- d) The employees shall work in good faith and without prejudice towards the interest of the customer. Through this policy, the bank shall ensure that a suitable mechanism exists for receiving and addressing grievances from its customers and their constituents including pensioners, with specific emphasis on resolving such cases fairly and expeditiously regardless of source of the case. The policy entails adherence to the provisions prescribed by the Reserve Bank of India (RBI).

3. Tenets of grievance redressal:

The Bank shall be guided by the following tenets in its approach to grievance redressal:

- a) Customer Awareness: The bank shall endeavor to make continuous efforts to educate its customers to enable them to make informed choices regarding banking products as well as channels to approach for grievance redressal.
- b) Fairness & transparency: The customer's grievance shall be examined in all fairness and the Bank shall take a balanced approach to resolve the same. The bank shall ensure customer grievances are resolved in a timely and efficient manner.
- c) Escalation: All responses to customer grievances will provide an escalation matrix mentioning the details of the next level of grievance redressal for the customer.
- d) Review: The Bank shall have a regular process of internal review of customer grievances at multiple hierarchies to enhance Quality and effectiveness of customer service.

4. Definition of Query and Complaint:

The Bank has clearly defined Complaints and Queries so that customer issues are logged accurately. It is to be noted that the examples mentioned below are illustrative.

4.1 Query:

A Query is:

- a) Any doubt/ enquiry
- b) Customer seeking/ cross-checking for clarification / more information
- c) Customer enquiring/ cross checking before the expiry of specified turnaround time (TAT) for service/ deliverables
- d) Customer checking status/ progress
- e) Customer making a request (e.g. deliverables, services, waivers)

Examples of queries:

- i. Non-receipt of card/PIN (within TAT) / statement (1st time)
- ii. Query on application status (Within TAT)

4.2 Complaint:

A Complaint is:

- a) A grievance/protest/ grumble
- b) Customer disputing non-conformance of services/ products/ processes
- c) An error committed by the bank or its employees. Examples of complaints:
 - i. Address change request given at branch not done
 - ii. Cash not dispensed/ less cash dispensed from ATM
 - iii. Funds transferred but not credited to beneficiary.
 - iv. Cash deposits at CDM/Recycler but not credited to the account.

5. Process of handling general customer grievances of the Bank:

a) Touch points to report customer grievances:

Customers will be informed about the channels available for referring/seeking redressal of grievances. These are:

- i. Branches
- ii. Mobile Banking
- iii. Website & Net Banking (view only)
- iv. Customer Service Center

b) Logging and tracking customer grievances:

Any grievance received - either verbally, by email or in writing, if not resolved and responded within TAT, shall be brought to the notice of MD & CEO and it gets categorized into different types and new turnaround times (TAT) for specific category / sub-category will be assigned to it and will be resolved.

With this the bank shall not only ensure that all the issues are recorded and resolved but shall also ensure effective monitoring /escalation mechanism to the senior functionary in case of the grievance not being resolved within defined timelines. (TAT)

Acknowledgement is provided for every grievance logged

c) Turnaround time:

Depending on the nature of grievance, specific timelines have been set for different categories by RBI/NPCI or any other regulatory authority. Grievances shall be resolved in a proper and time bound manner with detailed advice to the customer. The customer is kept informed in case of any delay envisaged by the Bank in resolution of the grievance beyond the stated timelines.

In case of Complaints relates to ATM transactions, POS and E Commerce Transactions, UPI transactions, RTGS, NEFT, IMPS Transactions, TAT is fixed as per NPCI and RBI guidelines.

If nothing is specified about TAT, the complaint will be resolved in 14 days from the date of complaint.

d) Payment of penalty: Penalty for delayed resolution of complaints relating to ATM, UPI and other digital channels are paid as per NPCI/RBI guideline.

e) Sources of grievance:

Apart from direct grievances from customer, grievances received through various regulatory bodies including Reserve Bank of India, Banking Ombudsman, Government of India shall be handled by the Bank with equal priority.

f) Mode of response:

Bank should ensure that the mode of response is as per the mode of customer intimation received e.g. cases received through e-mail shall be responded through e-mail.

g) Escalation of grievances:

The Bank has a three-tier escalation mechanism for customer grievances, as given below:

- i. 1st Level Support: Customer Care Team
2nd Level: DGM , HR Department
3rd Level: Chief Executive Officer
- ii. For Digital Transaction complaints

1st level support: Electronic Transaction Processing Team
2nd level support: Smt Ch. Aparna, Assistant Manager
3rd level support: Sri K.V. Subba Rao, Senior Manager

h) Employee training and awareness:

All employees at customer-fronting channels and other support departments shall be periodically trained in handling customer grievances. This would include functional training as well as training in soft skills.

6. Redressal of complaints relate to Unauthorised Transactions:

In case of any complaint relate to Unauthorised transactions, the guidelines of Reserve Bank of India as mentioned below are followed:

a. Zero Liability of a customer:

Customers' entitlement towards Zero liability shall arise where the unauthorized transaction occurs in the following events:

- i. Contributory fraud/negligence/deficiency on the part of the Bank (irrespective of whether or not the transaction is reported by the customer)
- ii. Third party breach where the deficiency lies neither with the bank or with the customer but lies elsewhere in the system, and the customer notifies the bank within **three (3) working days** of receiving the communication from the bank regarding the unauthorized transaction.

b. Limited Liability of a customer:

- A customer shall be liable for the loss occurring due to unauthorized transactions in the following cases:
- In cases where the loss is due to negligence by a customer, such as where he has shared the payment credentials, the customer will bear the entire loss until he reports the unauthorized transaction to the bank. Any loss occurring after reporting the unauthorized transaction to the bank shall be borne by the bank.
- In cases where the responsibility for the unauthorized electronic banking transaction lies neither with the Bank nor with the customer, but lies elsewhere in the system and the customer notifies the Bank of such a transaction within **four (4) to seven (7) working days** of receiving a communication of the transaction, the per transaction liability of the customer shall be limited to the transaction value or the amount mentioned below in Table -1 whichever is lower.

MAXIMUM LIABILITY OF A CUSTOMER FOR UNAUTHORISED TRANSACTIONS:

Table-1

Type of Account	Maximum Liability Rs.
BSBD Accounts	5000
All other SB Account, Current account, cash credit account, overdraft account of MSMEs Current Accounts, Cash Credit account, Overdraft accounts of individuals with annual average balance (during 365 days preceding the incidence of fraud)/ limit upto Rs. 25 lakhs Pre-paid payment instruments and Gift cards Credit cards with limits upto Rs. 5 lakhs	10000

All other current accounts, cash credit account, overdraft accounts	25000
---	-------

- If the delay in reporting is beyond **seven (7) working days**, the customer liability shall be determined as per the Bank's Board Approved Policy. The details of the policy in regard to customers' liability shall be provided to the customers. The policy is placed on the Bank's website also.
- Overall liability of the customer in third party breaches, as detailed in paragraph a (ii) and paragraph b (ii) above, where the deficiency lies neither with the bank or with the customer but lies elsewhere in the system, is summarized in the following **Table-2**

SUMMARY OF CUSTOMER'S LIABILITY: Table - 2

Time taken to report the fraudulent transaction from the date of receiving the communication	Customers' Liability Rs.
Within three working days	Zero Liability
Within 4 to 7 working days	The transaction value or the amount mentioned in the above Table- 1 , whichever is lower
Beyond 7 working days	As per Bank's Board Approved policy

Note: The number of working days shall be counted as per the working schedule of the home branch of the customer excluding the date of receiving the communication about the particular transaction which is a unauthorized transaction.

REVERSAL TIMELINE FOR ZERO LIABILITY/LIMITED LIABILITY OF CUSTOMER

On being notified by the customer, the bank shall credit (shadow reversal) the amount involved in the unauthorized electronic transaction to the customer's account **within 10 (ten) working days** from the date of such notification by the customer (without waiting for settlement of insurance claim, if any). The credit shall be value dated to be as of the date of the unauthorized transaction.

It is further ensured that:

- I. A Complaint is resolved and liability of the customer, if any, established and the customer is compensated as per the above guidelines within such time, as may be specified in the bank's Board approved policy, but not exceeding 90 days from the date of receipt of the complaint.
- II. Where it is unable to resolve the complaint or determine the customer liability, if any, within 90 days, the compensation as prescribed in the above tables is paid to the customer and
- III. In case of debit card/bank account, the customer does not suffer loss of interest and in case of credit card, the customer does not bear any additional burden of interest.

7. BANKING OMBUDSMAN SCHEME:

If the customer does not receive a response from the bank within one month from the date of receipt of complaint by the bank, or if the customer is not satisfied with the reply given by the bank, the customer may approach Banking ombudsman.

The details of the Banking Ombudsman scheme as well the contact details of the Banking Ombudsman is available on the Bank's website.

8. Review & Oversight of monitoring customer grievances:

The Bank is operating Customer Complaints Call Center to monitor the customer grievances logged in the Bank on a regular basis. This cell, as part of its monitoring, shall perform the following activities:

- a) Analyze /conduct a root-cause analysis of the complaints logged on a quarterly basis. The analysis shall be carried out based on the nature and type of complaint with a view to identify areas of complaint which are endemic in nature and require process review / procedural change.
- b) The analysis shall also include review of case closure (adequacy of closure as well as timeliness). Key aspects of the analysis shall be highlighted to the senior management. Summary of the complaints received and closed shall be reported as part of the calendar of reviews prescribed by the RBI.
- c) monitoring complaints on a monthly frequency on a sample basis for frequent areas of complaints to raise issues to the concerned units including for cases not resolved or inadequately resolved or incorrectly logged.
- d) Customer feedback by way of complaints and through structured Customer Service Committee meetings shall be analyzed and acted upon. The Quality Initiatives Group of the bank shall be responsible to drive process improvement in co-ordination with other functions of the bank.

Sd/-
Chief Executive Officer

(As amended up to 29.03.2025)