



Customer Grievance Redressal Policy

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1. Introduction

The Bank will strive to provide the highest quality of customer service to ensure continued customer satisfaction, retention and sustained growth of products and services.

To facilitate the customers to raise their grievances, the Bank has put appropriate mechanism in place for redressal of customer grievances.

2. Objective

The Bank, through a comprehensive Customer Grievance Redressal Policy, intends to put in place systems, procedures and review mechanism for minimizing instances of customer complaints and grievances and to ensure prompt redressal of customer complaints and grievances.

Additionally, the key objectives of this policy are given below:

- Ensure unbiased, fair and just treatment to customers, including both depositors and borrowers, on an ongoing basis
- Protect customers against fraud, deception or unethical practices
- Consistently assess the impact of services in order to serve clients better
- Provide clients formal and informal channels for feedback and suggestions
- Put in place a formal grievance redressal mechanism for clients and educate customers on such mechanism
- Ensure speedy and efficient resolution of customer issues with adherence to basic principles of transparency and integrity
- Educate the customers about alternate escalation mechanisms within and outside the Bank, for resolution of the complaints / issues if they are not satisfied with the Bank's response
- Ensure that there is a mechanism for compensating customers expeditiously for any financial loss incurred by them on account of service gaps.

3. Applicability

The policy document shall cover the details of grievance redressal mechanisms for customers and the procedure the employees at the Bank need to follow when such a complaint arises.

The policy will apply to employees of the Bank as well as Business Correspondents (BCs)/ Agents and shall be applicable in respect of all customers catered to by branches or by BCs/ Agents of the Bank.

The policy will cover all the products and services offered by the Bank including third party products distributed by the Bank.

4. Governance Structure

In line with RBI guidelines, the Bank will have grievance redressal mechanism at three levels i.e. the Board, Senior Management and Branches.

The Customer Service Committee at the Board level shall assess and review the overall implementation of customer service policies and initiatives.

The Standing Committee on Customer Service at Senior Management level shall serve as a micro level executive committee for driving the implementation of customer service policies and initiatives and shall act as a bridge between the various units of the Bank and Customer Service Committee of the Board.

The Branch Level Customer Service Committee shall act as a formal channel of communication between the customers and the Bank at the branch level. The detailed responsibilities of each of the aforesaid Committees are elaborated as under:

4.1. Customer Service Committee of the Board

The Board of Directors of the Bank has constituted a Customer Service Committee at the Board level to oversee and enhance the quality of customer service and ensure effective grievance redressal. The Committee comprise of minimum of 3 directors out of which one member shall be an Independent Director. The Committee also includes representatives of customers as invitees to enable the bank to formulate policies and assess the compliance thereof. The roles and responsibilities of the Committee includes:

- 1) Develop and periodically review policies related to customer service, including Comprehensive Deposit Policy, Customer Grievance Redressal Policy, Customer, Compensation Policy, Fair Practices Code Policy
- 2) Monitor the implementation of the grievance redressal mechanism to ensure prompt and effective resolution of customer complaints.
- 3) Review awards under the Banking Ombudsman Scheme and ensure timely and effective implementation of corrective actions.
- 4) Evaluate and approve new products and services to ensure their suitability and appropriateness for customers.
- 5) Oversee annual surveys to assess customer satisfaction and gather actionable insights.
- 6) Conduct triennial audits of customer service to identify gaps and recommend improvements.
- 7) Recommend measures to enhance service standards across branches and channels
- 8) Ensure compliance with all RBI guidelines and directives concerning customer service and grievance redressal mechanisms.
- 9) Regularly review critical customer service issues and address deficiencies in service delivery.

4.2. Standing Committee on Customer Service

The Standing Committee on Customer Service may be chaired by the MD & CEO or Executive Director in the absence of MD and CEO and will include two to three executives from the Senior Management and invited customers, if any as its members.

The Standing Committee on Customer Service shall meet at least on a bi-monthly basis to review the implementation of customer service initiatives across the Bank.

The terms of reference of the Committee shall be as under:

- Ensure timely and effective compliance of the RBI instructions on customer service
- Obtain independent feedback on the quality of customer service to ascertain if the action taken by the other departments are in tune with the spirit and intent of such instructions
- Review existing practices and procedures which may lead to frequent customer complaints, and initiate necessary corrective action on an ongoing basis to improve these procedures
- Submit a report on the areas reviewed, procedures/ practices identified and simplified to the Customer Service Committee of the Board on a periodic basis
- Examine the quarterly reports submitted by the Branch Level Customer Service Committees and provide relevant feedback to the Customer Service Committee of the Board.

4.3. Branch Level Customer Service Committees

The Branch Level Customer Service Committee will be responsible for strengthening of customer service at branch level through interaction with diverse set of customers.

This committee will conduct monthly meetings with customers including depositors, borrowers and a senior citizen may preferably be included therein at the branch level to study customer grievances, cases of delay and other difficulties faced by the customers. It will also provide a forum for the customers to provide their feedback/ suggestions and help the Bank in evolving ways to improve customer service.

The Branch Level Customer Service 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.

4.4. Customer Service Department and Principal Nodal Officer

The Bank shall have a Customer Service Department at its Head Office to oversee the implementation of the customer complaint handling mechanism for the entire bank. This cell shall be headed by a Principal Nodal Officer (PNO) (Head Customer Services).

Roles and Responsibilities of the Customer Service Quality Department:

The emails received at customercare@esafbank.com, written letters at branches or HO and complaints received through Website and escalation calls at HO are handled directly by the Customer Service Quality (CSQ) department, where the team will contact the customer and lodge Service Request (SR) in CRM application if necessary and also coordinate with the respective department for logical closure and resolution.

Roles and Responsibilities of the Nodal Officer:

For coordinating the activities between the Banking Outlets, Head office with various regulators, a Nodal officer has been appointed. For any issues not resolved within the business hierarchy is escalated to the Principal Nodal Officer for immediate attention. Principal Nodal officer is assigned with different IDs/Portals for the redressal of complaints which are routed through Banking Ombudsman, Ministry of Finance etc. Principal nodal officer would be the 4th level of complaint escalation and escalation TAT is 10 days from the date of initial complaint.

The Bank shall also appoint a Regional Nodal Officers (RNO) for each of the Regions to ensure smooth resolution of customer grievances. Regional Nodal officer would be the designated Regional Head of the respective Banking Ombudsman location. Regional nodal officer would be the 3rd level of complaint escalation and escalation TAT to Regional Nodal officer level would be 6 days from the date of initial complaint. The PNO and RNO at Head Office and Regional Office levels respectively, shall be the point of contact with whom the BO, Indian Banks' Association (IBA) and RBI can liaise for resolution of customer complaints.

The Customer Services Department shall ensure that following details are displayed in the branch and on the website of the Bank.

- Names of officials who can be contacted for redressal of complaints along with direct telephone number, fax number, complete address and email address.
- Details of RNO, Regional Heads and PNO
- Names and other contact details of MD & CEO and other business heads to enable customers to approach them if required.
- Reserve Bank Integrated Ombudsman details as per Integrated Ombudsman Scheme 2021 needs to be displayed.
- Code of Bank's Commitment to Customers framed by Banking Code and Standards Board of India (BCSBI).
- Detailed Grievance Redressal Mechanism

4.5. Internal Ombudsman

Reserve Bank of India has directed all scheduled banks to appoint Internal Ombudsman as an independent authority to review complaints that were partly or wholly rejected by the bank. The main aim of IO Scheme is to strengthen the internal grievance redressal system of bank, to ensure that the complaints of the customers are redressed at the level of the

bank and to minimize the need for the customers to approach external forums for redressal. The Bank shall appoint the Internal Ombudsman as per eligibility criteria provided in the Master Direction – Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023 and updated from time to time. The IO scheme provides a settlement which may be acceptable to the bank as well as customer. The customer, if not satisfied with the settlement offer, will however be at liberty to appeal to the banking ombudsman of Reserve Bank of India.

The details of functioning of the Internal Ombudsman is available in the Internal Ombudsman Policy of the Bank.

5. Scope of Grievance Redressal

Each customer touch point with the Bank will drive towards creating a lasting impression in the customer's mind through a seamless experience, ease of accessibility, faster resolution and transparency in communication.

The Bank shall launch new delivery channels such as BCs, ATMs, internet banking, mobile banking, etc. to fortify existing branch network and strengthen operations. The Bank shall improve upon the technology ecosystem by incorporating the learnings from existing operations and build advanced capabilities to improve operational efficiency.

6. Customer Grievance Redressal Mechanism

6.1 Timeframe for Grievance Redressal

The Bank shall endeavour at all times to redress every single grievance at the same time of its receipt. However, where there are some rectifying actions to be completed to ensure total redressal, the Bank will advise the Customer of the progress of the Actions being taken and engage with the Customer in a meaningful manner so as to instil confidence in the system, till the resolution of the grievance.

6.2 Channels for Communication and Escalation Mechanism

The Bank shall make the following channels available to customer to register any grievance that is seen required to be communicated to the Bank officials:

1. Branch / Physical Premises of the Bank such as the ATM, Business Correspondent /Business Facilitator, call centre and other contact touch-points that will be made available from time to time in future.
 - a. In these centres, there should be adequate mechanism like Complaints Register, complaint box for the recording of the grievance.
 - b. Notice Boards indicating the availability of such Complaints Register should be prominently displayed in such physical premises, with the contact details of the local representative of the Bank.
 - c. The contact details of the local representative should necessarily include the personal telephone number and the email address of the concerned representative.

- d. The notice board should indicate the response time that can be expected for the grievance.
 - e. Such Notice Boards should compulsorily include the local vernacular version of the notice.
 - f. Anonymous / pseudonymous complaints will not be covered under the Scheme and such complaints will not be entertained. However, as good Corporate Governance, depending upon the gravity of the allegation, the same will be examined by the Bank and further process will be done judiciously.
2. Website / Email channels of the Bank shall be facilitated to specifically capture the grievances with distinct and dedicated web-pages (lodge a complaint in the home page of Bank's website) / generic Mail IDs (customercare@esafbank.com) set up specifically for capture of such grievances. Such set up should be backed up robust back-end work-flows to ensure that the captured grievances are acknowledge and acted upon immediately. Also, Bank has a dedicated call centre for customers to lodge their complaints/grievances.
3. Escalation Mechanism:
- a. Each complaint/grievance should be immediately assigned a distinct ID so that its process/life-cycle can effectively be tracked end-to-end by the Bank.
 - b. Each Complaint should necessarily be resolved within 7 working days of its receipt.
 - c. Any delay – irrespective of the cause of such delays – should require escalation to the immediate next superior in the hierarchy of the redressal mechanism.
 - d. The Bank shall at any cost should not delay the resolution of the grievance beyond 30 working days from the date of the receipt of the grievance.
 - e. All delays will be immediately and suitably communicated to the aggrieved customer, and in certain cases, personally by the Bank Officials.
 - f. The Escalation Mechanism should be displayed in all channels – physical or electronic – with clear details of the next contact person at each stage including the time frame.
 - g. The customer should also be provided with the details of the Banking Ombudsman – with a brief note on when and how to contact the official. Such details should also contain the contact details of the Principal Nodal Officer of the Bank.
4. Escalation of grievances:
The Bank has a four-tier escalation mechanism for customer grievances, as given below:
1st Level: Branches / Website/Contact Centre/ Customer Care Email ID

2nd Level: Cluster Head

3rd Level: Regional Nodal Officer

4th Level: Principal Nodal Officer

If the customers are still not satisfied with the resolution of their complaint, they can approach the Banking Ombudsman as per RBI Integrated Ombudsman Scheme 2021. The complainant can approach the Banking Ombudsman only if the complaint is not resolved within 30 days after contacting the bank.

Physical address of CRPC, Chandigarh as below:

Reserve Bank of India, 4th floor, Sector 17, Chandigarh, 160017
The complaint lodging portal of the Ombudsman is //cms.rbi.org.in

RBI Contact Centre – 14448 (9:30 am to 5:15 pm) – is also available for customers to seek assistance in filing complaints and information on grievance redressal, with multi-lingual support.

A dedicated email id and contact centre number has been made available to escalate the Credit card related grievances as 1st Level to email id cccare@esafbank.com and contact centre number 1800 571 3723. Other levels of escalation remain the same as above.

6.3 Review of the Redressal Mechanism

1. The Bank shall maintain robust MIS on the Grievances/Complaints received by it at all times.
2. An Ageing Analysis of all outstanding items shall be prepared periodically and reported to the Customer service committee of the Board through the Standing Committee.
3. Stringent action shall be taken against repeat-offenders amongst the bank's staff or that of its partners, where behavioural issues contribute to such grievances of customers.
4. Reports on such incidents including action-taken shall be periodically advised to the Customer Service Committee of the Board.

6.4 Review of Exiting Customers

The Bank shall proactively manage customer grievances by assessing them even before it is registered formally as a grievance.

The Silent Customer chooses to Exit the Relationship rather than register a Grievance.

Such instances can only be found by a structured process of contacting each of the customers who have "exited" their banking relationship with the Bank.

The Bank has put in place suitable mechanisms to use the Call-Centre Resources to personally contact each of such customers and diligently elicit and record their responses to provide an opportunity for redressing any points of dissatisfactions and win the customer back.

Such processes shall be embedded with suitable training structures and data-capture capabilities so as to analyse the same meaningfully and provide reports to the senior management and eventually to the Customer Service Committee of the Board of the Bank.

7. Customer Compensation

The Bank will compensate the customer for financial losses, if any, only after proper verification.

The compensation amount shall be

- a. Compensation of actual monetary loss and a fair equivalent of any other recognisable loss
- b. Compensation as ordered by any regulatory or statutory bodies
- c. Compensation of a fair and monetary equivalent for recognisable non-monetary loss suffered by the customer

The approval for the pay-out of compensation shall be approved as per the approval matrix outlined in the Delegation of Financial Authority approved by the Board.

8. Record Keeping

The records pertaining to customer complaints shall be maintained for a minimum period of 5 years from the date of resolution. Moreover, timely backup of system data of complaints shall be taken to ensure availability of data at all times.

9. Policy Review & Updates

This Board approved policy will be reviewed as and when required or at least on an annual basis for incorporating changes and regulatory updates, if any, in overall grievance redressal mechanism, to improve customer experience and satisfaction.

10. Regulatory References

- RBI Master Circular on Customer Service in Banks dated July 1, 2015
- IBA Model Policy for Grievance Redressal in Banks
- IBA Fair Practice Code
- IBA Fair Practice on Lending
- IBA Model Customer Rights Policy
- BCSBI Code of Commitment to Customers
- RBI Integrated Ombudsman Scheme 2021
- Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023