Ujjivan Small Finance Bank

Customer Grievance Redressal Policy

January 21, 2020

Corporate office Address:
Ujjivan Small Finance Bank Ltd.
Grape Garden, No. 27, 3rd A Cross, 18th Main
Koramangala 6th Block, Bengaluru 560 095
Table of Contents
1. Introduction .................................................................................................................................... 3
2. Objective........................................................................................................................................ 4
3. Applicability ................................................................................................................................... 5
4. Governance Structure ....................................................................................................................... 6
5. Role of Branches and Unbanked Rural Centres (URCs) in Customer Grievance Redressal .......... 6
6. Role of Controlling Offices and Head Office in Customer Grievance Redressal ......................... 6
7. Complaints Handling and Resolution Process .................................................................................. 7
   7.1 Types of Complaints ..................................................................................................................... 7
   7.2 Registration & Tracking of Complaints ....................................................................................... 8
   7.3 Resolution of Complaints / Grievances ....................................................................................... 9
   7.4 Escalation of Complaints ............................................................................................................ 9
8. Customer Compensation .................................................................................................................. 11
9. Banking Ombudsman Scheme 2006 as amended upto July 1, 2017 ............................................ 11
11. Regulatory References .................................................................................................................. 11
Annexure I – Cardholder Dispute Form ............................................................................................ 12
Annexure-II Banking Ombudsman Scheme ....................................................................................... 14
1. Introduction

Ujjivan Small Finance Bank (hereinafter referred to as “the Bank”), being a service industry player, needs to have a focused and pinpointed approach towards customer service. Moreover, the competitive market scenario makes it imperative for the Bank to have a robust mechanism in place to resolve/address customer complaints in a timely and effective manner and for compensating customers for financial losses, if any. 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.

A customer complaint may be genuine or may be a result of misunderstanding about the product or service. To facilitate the customers to raise their grievances, the Bank has put an 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 dissatisfactions and to ensure prompt redressal of customer complaints and grievances. Additionally, the key objectives of this policy are as under:

- 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
- Put in place a formal grievance redressal mechanism for customers
- 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 deficiencies in services
3. Applicability

The policy document shall cover the details of grievance redressal mechanism for customers and the procedures the employees at the Bank need to follow when such a complaint arises whether at the Unbanked Rural Centres (URCs) or branches. The policy will apply to employees of the Bank as well as Business Correspondents (BCs)/ Agents and shall be applicable to all customers catered to by branches or by BCs of the Bank. The policy will cover all the products and services offered by the Bank including third party products distributed by the Bank across its delivery channels.
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 the functioning of the grievance redressal mechanism. 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 grievance redressal mechanism. The Standing Committee will act as a bridge between the various departments / functional 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.

5. Role of Branches and Unbanked Rural Centres (URCs) in Customer Grievance Redressal

The customer service framework will be embedded into the Bank’s culture across the Head Office, Regional offices, phone banking centres, branches, URCs and BCs / Agents in order to drive the larger objective of creating an intuitive customer experience. Each customer touch point within the Bank will strive towards creating a lasting and an enduring impression in the customers’ mind through prompt, fair, transparent and courteous services, ease and convenience of accessibility, faster resolution of grievances and its communication to customers.

6. Role of Controlling Offices and Head Office in Customer Grievance Redressal

The Bank’s Service Quality Department (SQD) at its Head Office shall oversee the implementation of the customer complaint handling mechanism for the entire bank. This Department shall be headed by a Principal Nodal Officer (PNO) (National Manager – Service Quality). The Bank shall also appoint a Regional Nodal Officer (Regional Manager – Service Quality) for each of the Regions to ensure smooth resolution of customer grievances. The Principal Nodal Officer and Regional Nodal Officer at Head Office and Regional Office levels shall be the point of contact with whom the BO, Indian Banks’ Association (IBA) and RBI can liaise for resolution of customer complaints.
7. Complaints Handling and Resolution Process

A ‘complaint’ means a representation in writing or through electronic means containing a grievance alleging deficiency in banking service as mentioned in clause 8 of the Banking Ombudsman Scheme, 2006.

The Bank’s grievance redressal mechanism provides for a comprehensive framework for registration, tracking, resolution and analysis of customer complaints. A robust review mechanism will assist the Bank in identifying and resolving gaps in the customer service, product features and the delivery of the products through its own branches, URCs and BCs/agents.

7.1 Types of Complaints

- **Transaction related:** Deposit/ cash related/ opening of account/ transfer of account/ closure of account/ miss-selling/ debiting of erroneous charges/ claims on deceased depositors' accounts/ TDS related /service charge related, cheque clearance related, etc.
- **Branch related:** Basic facilities to customers/ ambience/ customer service area/ long queue, etc.
- **Staff related:** Alleged harassment, misbehaviour/ use of rude language, alleged bribery etc.
- **Lending related:** Delayed disbursals, loan modifications, excessive follow-up for collections, improper behaviour of recovery agents, discrimination based on gender, caste, religion, loan frauds and such other lending related complaints.
- **Technology related:** Disputed ATM transaction/ POS transaction/ Internet banking transaction/Mobile banking transaction/ RTGS/ NEFT.
- **Business Correspondent related:** Misbehaviour/ use of rude language, mis-selling of products, levy of fees/ commission/ additional charges, technology related issues at BC outlets, non-availability of the BC agents at field level, denial of services to customers, etc.
- Complaints emanating from rural areas and those relating to financial assistance to Priority Sector and Government’s Poverty Alleviation Programmes.

Lodging of ATM related Complaints

The following information shall be displayed prominently at the ATM locations:-

(i) ATM ID shall be displayed clearly in the premises to make use of it while making a complaint / suggestion
(ii) Information that complaints should be lodged at the branches where customers maintain accounts to which ATM card is linked
(iii) Telephone numbers of help desk / contact persons of the ATM owning bank to lodge complaint / seek assistance
(iv) Uniform Template (as given in Annexure I) for lodging of complaints relating to ATM transactions.

To improve the customer service through enhancement of efficiency in ATM operations, bank shall initiate following actions:
(i) Message regarding non-availability of cash in ATMs shall be displayed before the transaction is initiated by customer
(ii) Make available forms for lodging the complaints with name and phone number of the officials with whom they have to be lodged
(iii) Make available sufficient toll-free phone numbers for lodging complaints / reporting and blocking lost cards and also attend the requests on priority

Mobile numbers / e-mail IDs of the customers are registered to send alerts. In case of complaints pertaining to a failed ATM transaction at other bank ATMs, the customer should lodge a complaint with the card issuing bank even if the transaction was carried out at another bank’s ATM.

Handling Insurance Related Grievance

The Banks grievance redressal mechanism shall be further strengthened to ensure that the grievances raised by the policy holders/customers relating to their insurance policies, are addressed within the timelines as stipulated under the Regulations. The Authority will also be kept 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 Authority. Customer shall be allowed to approach any of the offices or call centre of the Bank to register a complaint.

Resolution of Grievances – Internal Machinery and Time Frame – Offline

At Branch Level:
Customer care representative & Branch Manager will be responsible for the resolution of the complaints/grievances in respect of customer’s service by the Branch
An acknowledgement should be given to the customer immediately on receipt of complaint in writing and to be resolved within 5 working days or else customer will be given the reasons for the delay in resolution as in most of the cases insurance companies support will be needed to resolve the complaint.

At Regional Level:
If the Branch Manager feels that it is not possible at his/her end to solve the problem, then it may be referred to Regional Service Quality Manager of the Bank at the Head Office.

At Head Office Level:
If the Regional Service Quality Manager feels that it is not possible at his/her end to solve the problem, then it may be referred to the Principal Officer. He will send final response or explain why the Bank needs more time to respond and shall endeavour to do so within 14 days of receipt of complaint.

Grievances Escalation System for Insurance Related Complaints:

If the customer does not receive a reply within 14 days or is unsatisfied with the reply, he/she can escalate the matter to RBI/ Banking ombudsman or any other related appellate authority.

7.2 Registration & Tracking of Complaints
The customer will be able to register the complaint through multiple channels which may include:

a. Complaint form/ suggestion box
b. Complaints register or oral complaints at the branches/ URCs and Regional Offices
c. Complaint calls to CCR of Branches and URCs/ Branch Manager/ Customer Care Number/ Regional Nodal Officer
d. Grievances received through post, emails or through internet or mobile banking and form provided in Bank’s website
e. A Complaint Form, along with the name of the regional nodal officer for complaint redressal, will be provided in the homepage itself to facilitate complaint submission by customers
f. Complaints received through BO, BCSBI, Centralized Public Grievance Redress & Monitoring System (CPGRAMS) of the Government of India

7.3 Resolution of Complaints / Grievances

1. The CCR of the Branch & URC is primarily responsible for resolving the customer complaints and Branch Manager will monitor the resolution of complaints pertaining to his/her Branch, complaints received through alternate channels and complaints pertaining to BCs/agents within his/her branch’s area of operation and ensure that these complaints are not escalated.

2. The governance structure for addressing complaints against BCs has been outlined in the policy on Business Correspondents of the Bank

3. The Bank will put in place appropriate procedures along with timelines to redress the complaints received for transactions undertaken through various channels such as branches, internet banking, mobile banking and BCs.

4. The customer grievance escalation mechanism will be displayed in the branches and on the website.

5. The timeframe for resolution of complaint will be communicated to the customer and in case, additional time will be required for redressing the grievance, an interim response will be sent to the customer.

6. A dedicated Service Quality Department at the Head Office and Regional Offices will review the quality of the classification and assignment of complaints and check whether the resolution is complete and appropriate.

7.4 Escalation of Complaints

The Bank shall adopt a four-tier approach for handling escalation of complaints/ grievances by the customer. Escalations of customer complaints/ grievances will be handled in a structured manner as mentioned below:
<table>
<thead>
<tr>
<th>Level of Escalation</th>
<th>Official to be approached</th>
<th>Channel to be followed</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Level</td>
<td>Customer Care Representative/ Branch Manager or Branch Operations Officer</td>
<td>In-person/ Call/ In writing</td>
</tr>
<tr>
<td>Second Level</td>
<td>Regional Nodal Officer (Regional Manager – Service Quality)</td>
<td>In writing i.e email/ physical letter/ Call</td>
</tr>
<tr>
<td>Third Level</td>
<td>Principal Nodal Officer (National Manager- Service Quality)</td>
<td>In writing i.e email/ physical letter/ Call</td>
</tr>
<tr>
<td>Fourth Level</td>
<td>Managing Director</td>
<td>In writing</td>
</tr>
<tr>
<td>Fifth Level</td>
<td>BO/ CPGRAMS/INGRAMS</td>
<td>Call/ In writing/ Internet (through portal)</td>
</tr>
</tbody>
</table>

1. The Bank shall inform the customer that if his complaint is not resolved to his satisfaction at branch level, he may approach the Regional Nodal Officer, whose details are displayed in branches and on the website. If the complaint is still not satisfactorily resolved, the Bank shall inform the customer to approach the Principal Nodal Officer in the Head Office for resolution of the complaint. The Bank will ensure that appropriate efforts are made to resolve the escalated complaint within the Bank itself. In case of inability to resolve the complaint within the Bank, appropriate reasons will be documented for non-resolution of such complaints.

2. Internal Ombudsman Scheme:
RBI has directed all Banks including SFBs 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 RBI’s Internal Ombudsman Scheme, 2018. The Bank should also formulate a SOP for providing operating guidelines to Internal Departments for an effective implementation of the Scheme

3. The Bank will inform the customer to approach BO if he doesn’t receive a response from the Bank for his complaint within the period of 1 month from the date of his complaint. The customer can also approach BO if the Bank rejects the complaint, or if he is not satisfied with the resolution provided by the Bank for his complaint. The bank will inform customers 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. In case of inability to handle the complaint within the Bank, appropriate measures will be taken to educate and guide the customer to approach the external avenues as under:

a. BO Scheme of RBI at Regional level follows a fast track approach toward resolution of customer complaints with respect to services rendered by banks. The details of the Scheme along with contact details to approach these offices will be available in the branches/ URCs and also displayed on the website of the Bank.

b. The customer may also approach Government of India through online CPGRAMS available on [www.pgportal.gov.in](http://www.pgportal.gov.in).

c. The customer may alternatively approach Department of Consumer Affairs (DoCA) platform through INGRAM available at [http://consumerhelpline.gov.in/](http://consumerhelpline.gov.in/).

The Bank shall put in place operational guidelines to handle escalation of customer complaints through external entities such as BO/ BCSBI/ CPGRAMS/INGRAM.
8. Customer Compensation

The Bank will compensate the customer for financial losses, if any, only after proper verification in the following cases:

- Erroneous/ unauthorized debit to customer account also covering transaction failures through Mobile, Internet and Digital Channels but debited to customer account
- Failure to execute direct debit/ ECS debit instructions
- Payment made under cheque after acknowledging stop payment instructions
- Delayed collection of local/ outstation cheque
- Lost cheques/ instruments while in transit, during clearing or at the Branch
- Violation of code by the Banks’ staff or agent
- Delay in credit for failed ATM transactions
- Mis-selling of third party products
- Delay in credit to customer’s account
- Direct losses on account of internet banking security breaches
- Incorrect authorisation or decline of transactions through Digital channels that result in inconvenience to customers

The procedure for the pay-out of compensation amount shall be in line with the Bank’s Customer Compensation Policy.

9. Banking Ombudsman Scheme 2006 as amended upto July 1, 2017

The bank has adopted RBI’s banking ombudsman scheme as amended upto July 1, 2017 as a part of Grievance Redressal policy. The scheme is attached as an Annexure II of the policy.


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.

Last date of review: January 21, 2020

11. 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
Annexure I – Cardholder Dispute Form

CARDHOLDER DISPUTE FORM

Please fill in black ink and in CAPITAL LETTERS

To

The Branch Manager

Ujjivan Small Finance Bank

Branch Name

Debit Card Number: ____________________________

Ujjivan SFB Account Number: ____________________________

Transaction Sequence No./ID: ____________________________

Details of Disputed Transaction(s):

<table>
<thead>
<tr>
<th>Sr No</th>
<th>Transaction Date (DD/MM/YYYY)</th>
<th>Mode of Transaction (ATM/PoS/Online etc.)</th>
<th>Merchant Name/ATM Location/ATM ID</th>
<th>Transaction Amount</th>
<th>Disputed Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
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</table>

I am disputing the transaction(s) made through the Debit Card mentioned above owing to the following reasons and request you to take up the cases with the acquiring banks of the said merchants:

☐ Duplicate/Multiple Billing. I have done only one transaction but I was billed ____________________________. (Twice/thrice etc.).

☐ Cash of ₹ ___________ dispensed from ATM, but my account was debited for ₹ ___________.

☐ Transaction was cancelled/was unsuccessful. My account has been debited but not received the credit/refund for the same. (Attach credit slip/refund note/merchants letter or any form of merchants confirmation that the transaction was cancelled and the credit was due to you.)

☐ I have not participated or authorized the above transactions. The card was in my possession at all times.

☐ Others (please specify)

(Please explain in detail. Please attach a separate letter if necessary)

------------------------------------------------------------------------------------------------------------

CUSTOMER ACKNOWLEDGMENT FORM

Service Request Number: ____________________________

Date: ____________________________ Branch Employee Name: ____________________________

Branch seal: ____________________________ Employee ID & signature: ____________________________

For help, contact our toll free number: 1800 208 2121
REQUEST TO CARDHOLDER

Please attach copies of your correspondence with the merchant, charge slips whatever applicable and any supplementary documents pertaining to the disputed transactions, as appropriate.

Annexure : (Please tick as appropriate)
☐ Correspondence copy with merchants
☐ Charge Slips  ☐ Any other supplementary documents (Please specify)[___________]

DECLARATION & SIGNATURE

I hereby confirm that the averments made by me within this form are bona-fide and the information provided is true and accurate to the best of my knowledge and belief. In case the claim is determined by the Bank to be false or maliciously made, I shall be fully responsible for the consequences which may include civil/criminal lawsuit being initiated by the Bank.

Place [___________] Date [______] [______] Tel (+91) [______] [______]

[___________]

Customer Signature

FOR BANK USE ONLY

<table>
<thead>
<tr>
<th>Date:</th>
<th>Branch Employee Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch seal:</td>
<td>Employee ID &amp; signature:</td>
</tr>
</tbody>
</table>
Annexure-II Banking Ombudsman Scheme

The Banking Ombudsman Scheme 2006

(As amended upto July 1, 2017)

Reserve Bank of India
Central Office
Mumbai
# TABLE OF CONTENTS

## CHAPTER I PRELIMINARY

1. Short Title, Commencement, Extent and Application  1
2. Suspension of the Scheme  1
3. Definitions  2

## CHAPTER II

**ESTABLISHMENT OF OFFICE OF BANKING OMBUDSMAN**

4. Appointment & Tenure  3
5. Location of Office and Temporary Headquarters  3
6. Secretariat  3

## CHAPTER III

**JURISDICTION, POWERS AND DUTIES OF BANKING OMBUDSMAN**

7. Powers and Jurisdiction  4

## CHAPTER IV

**PROCEDURE FOR REDRESSAL OF GRIEVANCE**

8. Grounds of Complaint  5
9. Procedure for Filing Complaint  8
10. Power to Call for Information  10
11. Settlement of Complaint by Agreement  10
CHAPTER V

MISCELLANEOUS

16. Removal of Difficulties 16
17. Application of the Banking Ombudsman Schemes, 16
   1995, 2002

ANNEXURE

Annexure 'A' - Form of Complaint 17

Annexure 'B' - Addresses and Area of Operation 20
   of Banking Ombudsman
THE BANKING OMBUDSMAN SCHEME 2006
NOTIFICATION

In exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949 (10 of 1949) and in partial modification of its Notifications Ref. (i) RPCD. BOS. No. 441/13.01.01/2005-06 dated December 26, 2005, (ii) CSD. BOS 4638/13.01.01/2006-07 dated May 24, 2007 and (iii) CSD. BOS. No. 4736/13.01.01/2008-09 dated February 3, 2009, Reserve Bank of India hereby amends the Banking Ombudsman Scheme 2006 to the extent specified in the Annex hereto. The Reserve Bank of India, hereby directs that all commercial banks, regional rural banks and scheduled primary co-operative banks shall comply with the Banking Ombudsman Scheme, 2006 as amended hereby.

2. The amendments in the Scheme shall come into force from July 1, 2017.

Sd/-

(S S Mundra)

Deputy Governor
Reserve Bank of India Mumbai
THE BANKING OMBUDSMAN SCHEME, 2006

The Scheme is introduced with the object of enabling resolution of complaints relating to certain services rendered by banks and to facilitate the satisfaction or settlement of such complaints.

CHAPTER I
PRELIMINARY

1. SHORT TITLE, COMMENCEMENT, EXTENT AND APPLICATION

(1) This Scheme may be called the Banking Ombudsman Scheme, 2006.

(2) It shall come into force on such date as the Reserve Bank may specify.

(3) It shall extend to the whole of India.

(4) The Scheme shall apply to the business in India of a bank as defined under the Scheme.

2. SUSPENSION OF THE SCHEME

(1) The Reserve Bank, if it is satisfied that it is expedient so to do, may by order suspend for such period as may be specified in the order, the operation of all or any of the provisions of the Scheme, either generally or in relation to any specified bank.

(2) The Reserve Bank may, by order, extend from time to time, the period of any suspension ordered as aforesaid by such period, as it thinks fit.

3. DEFINITIONS

(1) 'award' means an award passed by the Banking Ombudsman in accordance with the Scheme.
(2) ‘Appellate Authority’ means the Deputy Governor in charge of the Department of the Reserve Bank implementing the Scheme.

(3) ‘authorised representative’ means a person duly appointed and authorised by a complainant to act on his behalf and represent him in the proceedings under the Scheme before a Banking Ombudsman for consideration of his complaint.

(4) ‘Banking Ombudsman’ means any person appointed under Clause 4 of the Scheme

(5) ‘bank’ means a ‘banking company’, a ‘corresponding new bank’, a ‘Regional Rural Bank’, ‘State Bank of India’ a ‘Subsidiary Bank’ as defined in Section 5 of the Banking Regulation Act, 1949 (Act 10 of 1949), or a ‘Primary Co-operative Bank’ as defined in clause (c) of Section 56 of that Act and included in the Second Schedule of the Reserve Bank of India Act, 1934 (Act 2 of 1934), having a place of business in India, whether such bank is incorporated in India or outside India.

(6) ‘complaint’ means a representation in writing or through electronic means containing a grievance alleging deficiency in banking service as mentioned in clause 8 of the Scheme.

(7) ‘Reserve Bank’ means the Reserve Bank of India constituted by Section 3 of the Reserve Bank of India Act, 1934 (Act 2 of 1934).

(8) ‘the scheme’ means the Banking Ombudsman Scheme, 2006.

(9) ‘secretariat’ means the office constituted as per Sub-Clause (1) of Clause 6 of the Scheme.

(10) ‘settlement’ means an agreement reached by the parties either by conciliation or mediation under Clause 11 of the Scheme.
CHAPTER II

ESTABLISHMENT OF OFFICE OF
BANKING OMBUDSMAN

4. APPOINTMENT & TENURE

(1) The Reserve Bank may appoint one or more of its officers in the rank of Chief General Manager or General Manager to be known as Banking Ombudsmen to carry out the functions entrusted to them by or under the Scheme.

(2) The appointment of Banking Ombudsman under the above Clause may be made for a period not exceeding three years at a time.

5. LOCATION OF OFFICE AND TEMPORARY HEADQUARTERS

(1) The office of the Banking Ombudsman shall be located at such places as may be specified by the Reserve Bank.

(2) In order to expedite disposal of complaints, the Banking Ombudsman may hold sittings at such places within his area of jurisdiction as may be considered necessary and proper by him in respect of a complaint or reference before him.

6. SECRETARIAT

(1) The Reserve Bank shall depute such number of its officers or other staff to the office of the Banking Ombudsman as is considered necessary to function as the secretariat of the Banking Ombudsman.

(2) The cost of the Secretariat shall be borne by the Reserve Bank.
CHAPTER III
JURISDICTION, POWERS AND DUTIES OF
BANKING OMBUDSMAN

7. POWERS AND JURISDICTION

(1) The Reserve Bank shall specify the territorial limits to which the authority of each Banking Ombudsman appointed under Clause 4 of the Scheme shall extend.

1(2) The Banking Ombudsman shall receive and consider complaints relating to the deficiencies in banking or other services filed on the grounds mentioned in clause 8 irrespective of the pecuniary value of the deficiency in service complained and facilitate their satisfaction or settlement by agreement or through conciliation and mediation between the bank concerned and the aggrieved parties or by passing an Award as per the provisions of the Scheme.

(3) The Banking Ombudsman shall exercise general powers of superintendence and control over his Office and shall be responsible for the conduct of business thereat.

(4) The Office of the Banking Ombudsman shall draw up an annual budget for itself in consultation with Reserve Bank and shall exercise the powers of expenditure within the approved budget on the lines of Reserve Bank of India Expenditure Rules, 2005.

(5) The Banking Ombudsman shall send to the Governor, Reserve Bank, a report, as on 30 June every year, containing a general review of the activities of his Office during the preceding financial year and shall furnish such other information as the Reserve Bank may direct and the Reserve Bank may, if it considers necessary in the public interest so to do, publish the report and the information received from the Banking Ombudsman in such consolidated form or otherwise as it deems fit.

1 Substituted by Notification Ref No CEPD PRS. 6317 /13.01.01/2016-17 dated June 16, 2017
CHAPTER IV

PROCEDURE FOR REDRESSAL OF GRIEVANCE

8. 2GROUNDS OF COMPLAINT

(1) Any person may file a complaint with the Banking Ombudsman having jurisdiction on any one of the following grounds alleging deficiency in banking including internet banking or other services.

(a). non-payment or inordinate delay in the payment or collection of cheques, drafts, bills etc.;

(b). non-acceptance, without sufficient cause, of small denomination notes tendered for any purpose, and for charging of commission in respect thereof;

(c). non-acceptance, without sufficient cause, of coins tendered and for charging of commission in respect thereof;

(d). non-payment or delay in payment of inward remittances;

(e). failure to issue or delay in issue of drafts, pay orders or bankers’ cheques (f). non-adherence to prescribed working hours;

(g). failure to provide or delay in providing a banking facility (other than loans and advances) promised in writing by a bank or its direct selling agents;

(h). delays, non-credit of proceeds to parties' accounts, non-payment of deposit or non-observance of the Reserve Bank directives, if any, applicable to rate of interest on deposits in any savings, current or other account maintained with a bank;

(i). complaints from Non-Resident Indians having accounts in India in relation to their remittances from abroad, deposits and other bank-related matters;

(j). refusal to open deposit accounts without any valid reason for refusal; (k). levying of charges without adequate prior notice to the customer;

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2 Substituted by Notification Ref CEPD PRS No 6317/13.01.01/2016-17 dated June 16, 2017
(l). non-adherence to the instructions of Reserve Bank on ATM /Debit Card and Prepaid Card operations in India by the bank or its subsidiaries on any of the following:
   i. Account debited but cash not dispensed by ATMs
   ii. Account debited more than once for one withdrawal in ATMs or for POS transaction
   iii. Less/Excess amount of cash dispensed by ATMs
   iv. Debit in account without use of the card or details of the card
   v. Use of stolen/cloned cards
   vi. Others

(m). non-adherence by the bank or its subsidiaries to the instructions of Reserve Bank on credit card operations on any of the following:
   i. Unsolicited calls for Add-on Cards, insurance for cards etc.
   ii. Charging of Annual Fees on Cards issued free for life
   iii. Wrong Billing/Wrong Debits
   iv. Threatening calls/ inappropriate approach of recovery by recovery agents including non-observance of Reserve Bank guidelines on engagement of recovery agents
   v. Wrong reporting of credit information to Credit Information Bureau
   vi. Delay or failure to review and correct the credit status on account of wrongly reported credit information to Credit Information Bureau.
   vii. Others

(n). non-adherence to the instructions of Reserve Bank with regard to Mobile Banking / Electronic Banking service in India by the bank on any of the following:
   i. delay or failure to effect online payment / Fund Transfer,
   ii. unauthorized electronic payment / Fund Transfer,

(o). non-disbursement or delay in disbursement of pension (to the extent the grievance can be attributed to the action on the part of the bank concerned, but not with regard to its employees);
(p). refusal to accept or delay in accepting payment towards taxes, as required by Reserve Bank/Government;

(q). refusal to issue or delay in issuing, or failure to service or delay in servicing or redemption of Government securities;

(r). forced closure of deposit accounts without due notice or without sufficient reason;

(s). refusal to close or delay in closing the accounts;

(t). non-adherence to the fair practices code as adopted by the bank;

(u). non-adherence to the provisions of the Code of Bank’s Commitments to Customers issued by Banking Codes and Standards Board of India and as adopted by the bank;

(v). non-observance of Reserve Bank guidelines on engagement of recovery agents by banks;

(w). non-adherence to Reserve Bank guidelines on para-banking activities like sale of insurance /mutual fund /other third party investment products by banks with regard to following:
   i. improper, unsuitable sale of third party financial products
   ii. non-transparency /lack of adequate transparency in sale
   iii. non-disclosure of grievance redressal mechanism available
   iv. delay or refusal to facilitate after sales service by banks

(x). any other matter relating to the violation of the directives issued by the Reserve Bank in relation to banking or other services.

(2) A complaint on any one of the following grounds alleging deficiency in banking service in respect of loans and advances may be filed with the Banking Ombudsman having jurisdiction:

   (a) non-observance of Reserve Bank Directives on interest rates;
   (b) delays in sanction, disbursement or non-observance of prescribed time schedule for disposal of loan applications;
   (c) non-acceptance of application for loans without furnishing valid reasons to the applicant; and
(d) non-adherence to the provisions of the fair practices code for lenders as adopted by the bank or Code of Bank’s Commitment to Customers, as the case may be;

(e) non-observance of Reserve Bank guidelines on engagement of recovery agents by banks; and

(f) non-observance of any other direction or instruction of the Reserve Bank as may be specified by the Reserve Bank for this purpose from time to time.

(3) The Banking Ombudsman may also deal with such other matter as may be specified by the Reserve Bank from time to time in this behalf.

9. PROCEDURE FOR FILING COMPLAINT

(1) Any person who has a grievance against a bank on any one or more of the grounds mentioned in Clause 8 of the Scheme may, himself or through his authorised representative (other than an advocate), make a complaint to the Banking Ombudsman within whose jurisdiction the branch or office of the bank complained against is located.

Provided that a complaint arising out of the operations of credit cards and other types of services with centralized operations, shall be filed before the Banking Ombudsman within whose territorial jurisdiction the billing address of the customer is located.

(2) (a) The complaint in writing shall be duly signed by the complainant or his authorized representative and shall be, as far as possible, in the form specified in Annexure ‘A’ or as near as thereto as circumstances admit, stating clearly:

i. the name and the address of the complainant,

ii. the name and address of the branch or office of the bank against which the complaint is made,

iii. the facts giving rise to the complaint,

iv. the nature and extent of the loss caused to the complainant, and

v. the relief sought for.
(b) The complainant shall file along with the complaint, copies of the documents, if any, which he proposes to rely upon and a declaration that the complaint is maintainable under Sub-Clause (3) of this Clause.

(c) A complaint made through electronic means shall also be accepted by the Banking Ombudsman and a print out of such complaint shall be taken on the record of the Banking Ombudsman.

(d) The Banking Ombudsman shall also entertain complaints covered by this Scheme received by Central Government or Reserve Bank and forwarded to the Banking Ombudsman for disposal.

(3) No complaint to the Banking Ombudsman shall lie unless:

   (a) the complainant had, before making a complaint to the Banking Ombudsman, made a written representation to the bank and the bank had rejected the complaint or the complainant had not received any reply within a period of one month after the bank received his representation or the complainant is not satisfied with the reply given to him by the bank;

   (b) the complaint is made not later than one year after the complainant has received the reply of the bank to his representation or, where no reply is received, not later than one year and one month after the date of the representation to the bank;

   (c) the complaint is not in respect of the same cause of action which was settled or dealt with on merits by the Banking Ombudsman in any previous proceedings whether or not received from the same complainant or along with one or more complainants or one or more of the parties concerned with the cause of action;

   (d) the complaint does not pertain to the same cause of action, for which any proceedings before any court, tribunal or arbitrator or any other forum is pending or a decree or Award or order has been passed by any such court, tribunal,

3 Substituted by Notification Ref CEPD PRS No. 6317 /13.01/01/2016-17 dated June 16, 2017
arbitrator or forum;

(e) the complaint is not frivolous or vexatious in nature; and
(f) the complaint is made before the expiry of the period of limitation prescribed under the Indian Limitation Act, 1963 for such claims.

10. POWER TO CALL FOR INFORMATION

(1) For the purpose of carrying out his duties under this Scheme, a Banking Ombudsman may require the bank against whom the complaint is made or any other bank concerned with the complaint to provide any information or furnish certified copies of any document relating to the complaint which is or is alleged to be in its possession.

Provided that in the event of the failure of a bank to comply with the requisition without sufficient cause, the Banking Ombudsman may, if he deems fit, draw the inference that the information if provided or copies if furnished would be unfavourable to the bank.

(2) The Banking Ombudsman shall maintain confidentiality of any information or document that may come into his knowledge or possession in the course of discharging his duties and shall not disclose such information or document to any person except with the consent of the person furnishing such information or document.

Provided that nothing in this Clause shall prevent the Banking Ombudsman from disclosing information or document furnished by a party in a complaint to the other party or parties to the extent considered by him to be reasonably required to comply with any legal requirement or the principles of natural justice and fair play in the proceedings.

11. SETTLEMENT OF COMPLAINT BY AGREEMENT

(1) As soon as it may be practicable to do, the Banking Ombudsman shall send a copy of the complaint to the branch or office of the bank named in the complaint, under advice

3 Substituted by Notification Ref CEPD PRS No. 6317 /13.01/01/2016-17 dated June 16, 2017
to the nodal officer referred to in Sub-Clause (3) of Clause 15, and endeavour to promote a settlement of the complaint by agreement between the complainant and the bank through conciliation or mediation.

(2) For the purpose of promoting a settlement of the complaint, the Banking Ombudsman shall not be bound by any rules of evidence and may follow such procedure as he may consider just and proper, which shall, however, at the least, require the Banking Ombudsman to provide an opportunity to the complainant to furnish his/her submissions in writing along with documentary evidence within a time limit on the written submissions made by the bank.

Provided, where the Banking Ombudsman is of the opinion that the documentary evidence furnished and written submissions by both the parties are not conclusive enough to arrive at a decision, he may call for a meeting of bank or the concerned subsidiary and the complainant together to promote an amicable resolution.

Provided further that where such meeting is held and it results in a mutually acceptable resolution of the grievance, the proceedings of the meeting shall be documented and signed by the parties specifically stating that they are agreeable to the resolution and thereafter the Banking Ombudsman shall pass an order recording the fact of settlement annexing thereto the terms of the settlement.

(3) The Banking Ombudsman may deem the complaint as resolved, in any of the following circumstances:

a. Where the grievance raised by the complainant has been resolved by the bank or the concerned subsidiary of a bank with the intervention of the Banking Ombudsman; or

b. The complainant agrees, whether in writing or otherwise, to the manner and extent of resolution of the grievance provided by the Banking Ombudsman based on the conciliation and mediation efforts; or

c. In the opinion of the Banking Ombudsman, the bank has adhered to the banking norms and practices in vogue and the complainant has been informed to this effect through appropriate means and complainant's objections if any to the same are not received by Banking Ombudsman within the time frame provided.

3 Substituted by Notification Ref CEPD PRS No. 6317 /13.01/01/2016-17 dated June 16, 2017
(4) The proceedings before the Banking Ombudsman shall be summary in nature.

12. AWARD BY THE BANKING OMBUDSMAN

(1) If a complaint is not settled by agreement within a period of one month from the date of receipt of the complaint or such further period as the Banking Ombudsman may allow the parties, he may, after affording the parties a reasonable opportunity to present their case, pass an Award or reject the complaint.

(2) The Banking Ombudsman shall take into account the evidence placed before him by the parties, the principles of banking law and practice, directions, instructions and guidelines issued by the Reserve Bank from time to time and such other factors which in his opinion are relevant to the complaint.

(3) The award shall state briefly the reasons for passing the award.

(4) The Award passed under Sub-Clause (1) shall contain the direction/s, if any, to the bank for specific performance of its obligations and in addition to or otherwise, the amount, if any, to be paid by the bank to the complainant by way of compensation for any loss suffered by the complainant, arising directly out of the act or omission of the bank.

(5) Notwithstanding anything contained in Sub-Clause (4), the Banking Ombudsman shall not have the power to pass an Award directing payment of an amount towards compensation which is more than the actual loss suffered by the complainant as a direct consequence of the act of omission or commission of the bank, or two million rupees whichever is lower. The compensation that can be awarded by the Banking Ombudsman shall be exclusive of the amount involved in the dispute.

(6) The Banking Ombudsman may also award compensation in addition to the above but not exceeding rupees 0.1 million to the complainant, taking into

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4 Substituted by Notification Ref CEPD PRS No. 6317 /13.01/01/2016-17 dated June 16, 2017
5 Substituted by Notification Ref CEPD PRS No. 6317 /13.01/01/2016-17 dated June 16, 2017
account the loss of the complainant's time, expenses incurred by the complainant, 
harassment and mental agony suffered by the complainant.

(7) A copy of the Award shall be sent to the complainant and the bank.

(8) An award shall lapse and be of no effect unless the complainant furnishes to the 
bank concerned within a period of 30 days from the date of receipt of copy of the 
Award, a letter of acceptance of the Award in full and final settlement of his claim.

Provided that no such acceptance may be furnished by the complainant if he has filed an 
Appeal under Sub-Clause (1) of clause 14.

(9) The bank shall, unless it has preferred an appeal under Sub-Clause (1) of Clause 14, 
within one month from the date of receipt by it of the acceptance in writing of the 
Award by the complainant under Sub-Clause (8), comply with the Award and intimate 
compliance to the Banking Ombudsman.

13. REJECTION OF THE COMPLAINT

The Banking Ombudsman may reject a complaint at any stage if it appears to him that the 
complaint made is;

a. not on the grounds of complaint referred to in clause 8; or
b. otherwise not in accordance with Sub Clause (3) of clause 9; or

12 (5) and 12 (6): or

d. requiring consideration of elaborate documentary and oral evidence and the 
proceedings before the Banking Ombudsman are not appropriate for adjudication of 
such complaint; or

e. without any sufficient cause; or

f. that it is not pursued by the complainant with reasonable diligence; or

g. in the opinion of the Banking Ombudsman there is no loss or damage or 
inconvenience caused to the complainant.

6 Substituted by Notification Ref CEPD PRS No. 6317 /13.01.01/2016-17 dated June 16, 2017

7 Substituted by Notification Ref CEPD PRS No. 6317 /13.01.01/2016-17 dated June 16, 2017
(2) The Banking Ombudsman, shall, if it appears at any stage of the proceedings that the complaint pertains to the same cause of action, for which any proceedings before any court, tribunal or arbitrator or any other forum is pending or a decree or Award or order has been passed by any such court, tribunal, arbitrator or forum, pass an order rejecting the complaint giving reasons thereof.

14. APPEAL BEFORE THE APPELLATE AUTHORITY:

(1) Party to the complaint aggrieved by an Award under Clause 12 or rejection of a complaint for the reasons referred to in sub clauses (d) to (g) of Clause 13, may within 30 days of the date of receipt of communication of Award or rejection of complaint, prefer an appeal before the Appellate Authority;

Provided that in case of appeal by a bank, the period of thirty days for filing an appeal shall commence from the date on which the bank receives letter of acceptance of Award by complainant under Sub-Clause (8) of Clause 12;

Provided that the Appellate Authority may, if he is satisfied that the applicant had sufficient cause for not making the appeal within time, allow a further period not exceeding 30 days;

Provided further that appeal may be filed by a bank only with the previous sanction of the Chairman or, in his absence, the Managing Director or the Executive Director or the Chief Executive Officer or any other officer of equal rank.”

(2) The Appellate Authority shall, after giving the parties a reasonable opportunity of being heard

(a) dismiss the appeal; or

(b) allow the appeal and set aside the Award; or

8 Substituted by Notification Ref CEPD PRS No. 6317 /13.01.01/2017-18 dated June 16, 2017
9 Substituted by Notification Ref CEPD PRS No. 6317/13.01.01/2017-18 dated June 16, 2017
(c) remand the matter to the Banking Ombudsman for fresh disposal in accordance with such directions as the Appellate Authority may consider necessary or proper; or
(d) modify the Award and pass such directions as may be necessary to give effect to the Award so modified; or
(e) pass any other order as it may deem fit.

3) The order of the Appellate Authority shall have the same effect as the Award passed by Banking Ombudsman under Clause 12 or the order rejecting the complaint under Clause 13, as the case may be.

15. BANKS TO DISPLAY SALIENT FEATURES OF THE SCHEME FOR COMMON KNOWLEDGE OF PUBLIC.

(1) The banks covered by the Scheme shall ensure that the purpose of the Scheme and the contact details of the Banking Ombudsman to whom the complaints are to be made by the aggrieved party are displayed prominently in all the offices and branches of the bank in such manner that a person visiting the office or branch has adequate information of the Scheme.

(2) The banks covered by the Scheme shall ensure that a copy of the Scheme is available with the designated officer of the bank for perusal in the office premises of the bank, if anyone, desires to do so and notice about the availability of the Scheme with such designated officer shall be displayed along with the notice under Sub-Clause (1) of this Clause and shall place a copy of the Scheme on their websites.

(3) The banks covered by the Scheme shall appoint Nodal Officers at their Regional/Zonal Offices and inform the respective Office of the Banking Ombudsman under whose jurisdiction the Regional/Zonal Office falls. The Nodal Officer so appointed shall be responsible for representing the bank and furnishing information to the Banking Ombudsman in respect of complaints filed against the bank. Wherever more than one zone/region of a bank are falling within the jurisdiction of a Banking Ombudsman, one of the Nodal Officers shall be designated as the ‘Principal Nodal Officer’ for such zones or regions.
CHAPTER V

MISCELLANEOUS

16. REMOVAL OF DIFFICULTIES

If any difficulty arises in giving effect to the provisions of this Scheme, the Reserve Bank may make such provisions not inconsistent with the Banking Regulation Act, 1949 or the Scheme, as it appears to it to be necessary or expedient for removing the difficulty.

17. APPLICATION OF THE BANKING OMBUDSMAN SCHEMES, 1995 AND 2002

The adjudication of pending complaints and execution of the Awards already passed, before coming into force of the Banking Ombudsman Scheme, 2006, shall continue to be governed by the provisions of the respective Banking Ombudsman Schemes and instructions of the Reserve Bank issued thereunder.

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Annexure ‘A’

FORM OF COMPLAINT (TO BE LODGED) WITH THE BANKING OMBUDSMAN (TO BE FILLED UP BY THE COMPLAINANT)

To:

The Banking Ombudsman

Place of BO’s office.............................................. Dear Sir,

Sub: Complaint against ...........................................(Name of the bank’s branch) of 
...........................................................................................................(Name of the Bank) Details of the complaint are as under:

1. Name of the Complainant .................................

2. Full Address of the Complainant ........................

.................................................................

................................................................. Pin Code

.................................................................

Phone No/ Fax No......................................................... Email

.................................................................

3. Complaint against (Name and full address of the branch/bank) .................................

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.................................................................

.................................................................

Pin Code................................................................. Phone No. /

Fax No. .................................................................

4. Particulars of Bank or Credit card Account (If any) .................................................................
5. (a) Date of representation already made by the complainant to the bank (Please enclose a copy of the representation)

........................................

(b) Whether any reminder was sent by the complainant? YES/NO

(Please enclose a copy of the reminder)

........................................

6. Subject matter of the complaint (Please refer to Clause 8 of the Scheme)

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7. Details of the complaint:

(If space is not sufficient, please enclose separate sheet)

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8. Whether any reply (Within a period of one month after the bank concerned received the representation) has been received from the bank? YES/NO

(If yes, please enclose a copy of the reply)

..........................................................

9. Nature of Relief sought from the Banking Ombudsman

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..........................................................
10. Nature and extent of monetary loss, if any, claimed by the complainant by way of compensation (please refer to clauses 12 (5) & 12 (6) of the Scheme) Rs....................

11. List of documents enclosed:
(Please enclose a copy of all the documents)

12. Declaration:

(i) I/ We, the complainant/s herein declare that:
   a) the information furnished herein above is true and correct; and
   b) I/We have not concealed or misrepresented any fact stated in the above columns and in the documents submitted herewith.

(ii) The complaint is filed before expiry of period of one year reckoned in accordance with the provisions of Clause 9(3)(a) and (b) of the Scheme.

(iii) The subject matter of the present complaint has never been brought before the Office of the Banking Ombudsman by me/ us or by any of the parties concerned with the subject matter to the best of my/ our knowledge.

(iv) The subject matter of the present complaint has not been decided by/pending with any forum/court/arbitrator.

(v) I/We authorise the bank to disclose any such information/ documents furnished by us to the Banking Ombudsman and disclosure whereof in the opinion of the Banking Ombudsman is necessary and is required for redressal of our complaint.

(vi) I/We have noted the contents of the Banking Ombudsman Scheme, 2006

Yours faithfully,

(Signature of Complainant)
NOMINATION – (If the complainant wants to nominate his representative to appear and make submissions on his behalf before the Banking Ombudsman or to the Office of the Banking Ombudsman, the following declaration should be submitted.)

I/We the above named complainant/s hereby nominate Shri/Smt………………………………………….. who is not an Advocate and whose address is …………………………………………………………………………………………………………………

………………………………………………………………………………………………………………………………………………………………………………

……………… as my/our REPRESENTATIVE in all proceedings of this complaint and confirm that any statement, acceptance or rejection made by him/her shall be binding on me/us. He/She has signed below in my presence.

ACCEPTED

(Signature of Representative)

(Signature of Complainant)

Note: If submitted online, the complaint need not be signed.