



Grievance Redressal Policy

Current Version: 1.5

1. Background & Objective:

The timely and effective handling of consumer complaints / concerns is fundamental to the SBM Bank's principles of responsible finance and its commitment to treat the customer fairly. Customer Centricity is one of the foremost core values of the bank. SBM Bank believes that a customer experience in dealings with the Bank is the critical to ensuring his enduring relationship with the Bank.

The Grievance Redressal Policy aims to:

- Provide a framework for SBMBI employees to handle customer complaints.
- Ensure consistency within SBMBI in handling and resolving complaints.
- Ensure that all customers of the Bank are always treated fairly.
- Ensure complaints received are dealt with on time and with courtesy.
- Ensure that customers are informed of the various avenues open to escalate their grievance/complaint within the organization and the alternative remedies available to them.
- Co-ordinate at an appropriate level when dealing with complaints related to products of third parties for resolution of complaints outside the organization. Products like: Life / Non-Life Insurance and Mutual Funds.
- Institute leading practices in customer complaint management.

Understand root cause of complaints, review standards, update the training program, and implement deterrent and disciplinary measures.

2. Grievance Redressal Standards:

All employees receiving customer complaints must adhere to following principles:

- a) Listen to the customer's complaint without interruption and take notes if needed.
- b) Acknowledge & Empathize for any inconvenience the customer may have experienced.
- c) Ask clarifying Questions when needed on customer's complaint to ensure details are properly understood.
- d) Validate the correctness of the specific issue and understanding of the customer's situation.
- e) Assume ownership for complaint resolution and raise issue with the appropriate personnel as per the internal procedures.
- f) Set Expectations for how quickly the problem will be resolved.
- g) Follow Up and keep the customer informed of the progress until closure.
- h) Ensure that the customer understands the final resolution.

3. Responsibility

The Customer Service Unit along with the business heads is accountable for the quality of service rendered and the policy's effectiveness in addressing the complaints.

4. Grievance Redressal Guidelines

- SBM bank has a 3 Level approach for managing complaints - at various customer channels, at Head Office and the Principal Nodal officer.
- The channels available to customers for filing a complaint are directly in-person (at the branch), through the, Call Centre (Toll free number), Website (www.sbmbank.co.in), or through a letter, or e-mail.
- Complaints received at each level are immediately acknowledged and assigned a unique identification reference id ID to ensure its tracking and closure.
- The complaints are classified as per its nature in line with the bank's internal procedures. A defined Turnaround Time (TAT) is communicated at the time of filling of complaint.
- customers to be informed of progress of their complaint.
- The bank has also appointed Internal Ombudsman as per the guidelines prescribed by the Reserve Bank of India. Partially or wholly rejected customer complaints are referred to the Internal Ombudsman for guidance. The decision of the Internal Ombudsman is binding on the bank.
- Customers have the option to approach the RBI Ombudsman if no satisfactory response is received within 30 days

5. RBI Ombudsman

Customers have option to approach concerned RBI Ombudsman if no response is received from SBMBI within 30 days.

6. Response to Complaints

- Complaints would be dealt in a timely and efficient manner.
- SBMBI's goal is to address complaints at first contact. All customer' complaints shall be auto acknowledged instantly through SuiteCRM along with a unique reference ID to ensure its tracking and closure
- All complaints received through any Non voice channels shall be acknowledged through e-mail.
- The complaints to be classified as per its nature in line with SBMBI's internal procedures. customers to be informed of progress of their complaint.

7. Policy Review

This Grievance Redressal Policy will be reviewed at least once a year or more frequently (if required) by Customer Service Committee.

Customer Service Committee must recommend to the Board any changes or amendments to the policy for their approval.

8. Policy Amendment Authority

Customer Service Committee, SBMBI must recommend to the Board any changes or amendments to the policy for their approval.

POLICY DOCUMENT

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1. INTRODUCTION

1.1. Definition of Complaints

SBM Bank (India) Ltd (SBMBI) defines the term 'complaint' as any expression of dissatisfaction (justified or unjustified) or grievance conveyed to SBMBI either orally or through any channel by its customers. It can be about a staff member, a product, service, process, service failure, delays, errors, or malfunctioning of automated systems. A complaint is not a query (even if about something that is incorrect) or a request for information. A complaint can be made within a period of 7 years from the date of the incident which caused the customer to be aggrieved.

For example – Customer's address hasn't been changed despite of multiple requests is classified as complaint.

1.2. Definition of Customers

For the purpose of this policy, a customer may be defined as a user or a potential user of services and products. So, a 'Customer' may include:

- A person or an entity that maintains an account and/or has a business relationship with SBMBI
- One on whose behalf the account is maintained (i.e. the beneficial owner)
- Beneficiaries of transactions conducted by entities or professional intermediaries of SBMBI, as permitted by law
- Any person or entity connected with a financial transaction which can pose significant reputational or other risks to SBMBI, say, a wire transfer or issue of a high value demand draft as a single transaction

Refer to [Annexure 1](#) for the relevant RBI sources related to this policy supplement. Any updates in the relevant RBI circulars with regards to Grievance Redressal Policy, would supersede the policy supplement statements given here and would accordingly need to be incorporated in the next revision of the supplement.

For the purpose of this policy, "SBMBI" refers to SBM Bank (India) Limited.

1.3. What is a Query?

A Query is a question, doubt or request raised to product, process, or people. For example – How do I change my address on the account? When will I get my IPIN?

1.4. Purpose and scope

As per the RBI, "The objective of the policy is to spell out the framework for Grievance Redressal in the bank as outlined in the Master Circular on Customer Service, Customer Rights Policy, Banking Code and Standards Board of India (BCSBI) and Internal Ombudsman Scheme, Master Direction – Credit Card and Debit Card – Issuance and Conduct Directions"

The Grievance Redressal Policy aims to:

- Provide a framework for SBMBI employees when handling complaints from customers
- Ensure consistency within SBMBI in handling and resolving complaints from customers
- Ensure that customers including borrowers are treated fairly at all times
- Ensure complaints raised by customers are dealt with on time and with courtesy
- Ensure that customers are fully informed of the various avenues open to them to escalate their grievance/complaint within the organization and the alternative remedies available to them
- Co-ordinate at an appropriate level when dealing with complaints related to products of third parties for resolution of complaints outside the organization.
- Institute leading practices in customer complaint management
- Understand the root cause of complaints and based thereon, review the delivery standards, update the training program and implement deterrent and disciplinary measures.

2. GRIEVANCE REDRESSAL - GENERAL PRINCIPLES

Fairness: The Grievance Redressal policy shall recognize the need to be fair to both to the complainant and the business unit or person against whom the complaint is made.

Visibility: The Grievance Redressal policy shall be well publicized to consumer / clients and staff and shall include information for customers about the right to complain.

Access: The Grievance Redressal process shall be accessible to all and ensure that information on making and resolving a complaint is readily available.

Responsiveness: The Grievance Redressal policy shall mandate that complaints be treated courteously and addressed within the specified timelines.

Reviews: The Grievance Redressal process shall be reviewed regularly to ensure that it is efficiently delivering effective outcomes

Customer Education: SBMBI makes continuous endeavors to educate customers through the monthly meets at the branch so that they can make informed choices for its products and services.

3. Grievance Redressal Standards

All employees receiving customer complaints must adhere to the following principles:

- **Listen** to the customer's complaint without interruption and take notes if needed as per internal procedures
- **Acknowledge & Empathize** for any inconvenience the customer may have experienced
- **Ask Clarifying Questions** when needed about the customer's complaint to ensure details of the situation are properly understood
- **Discuss** with the customer as to what is understood to be their specific issue
- **Validate** the correctness of the specific issue and understanding of the customer's situation
- **Assume ownership** for complaint resolution and raise issue with the appropriate personnel as per the internal procedures
- **Set Expectations** for how quickly the problem will be resolved
- **Follow Up** and keep the customer informed of the progress until closure
- **Ensure** that the customer understands the final resolution

4. Grievance Redressal Guidelines

1. SBMBI should ensure right channels are available to customers for filing a complaint. SBMBI should have appropriate mechanisms in place to receive complaints from customers directly in-person (at the branch/Head Office), through the call centre (Toll Free number), through the website (www.sbmbank.co.in), or through a letter or an e-mail addressed to SBMBI.
2. A customer may choose to file a complaint anonymously. The bank ensures that these are dealt with appropriately while maintaining the confidentiality of the complainant
3. Complaints received at each channel are immediately acknowledged, assigned a unique identification reference ID for tracking and closure, and dealt with appropriately.
4. Complaints/suggestions box - Complaints/suggestions box should be provided at Branch
5. Complaint Book /Register -. A Complaint book / registered in physical / electronic form is maintained at all branches. The complainant should be given an acknowledgement instantly and a copy of the complaint is required to be forwarded to the concerned Controlling Office alongwith the remark of the Branch / Service Manager within the specified time frame.
6. The complaints registers maintained by branches should be scrutinized by the concerned Heads during his periodical visit to the branches.
7. The complaints shall be classified as per their type in line with internal procedures.
8. Where necessary, customers shall be kept informed of the progress of their complaint.
9. Customers have the right to enquire about the status of their complaint by contacting the relevant relationship manager or CSA who has been identified as handling their complaint.
10. Customer complaints will be retained as per banks archival / document retention policy.
11. The complaints will be tracked through complaint management system.

Any Complaint in relation to treasury dealer shall be dealt in a manner as prescribed in **Annexure 3**.

5 Lodging Complaints

There are three levels of grievance escalations: -

5.1.1 Level 1

Customers can explain the details of issue/ complaint to Customer Care/Branch by:

- Visiting any of the bank's service units; relevant addresses may be found at www.sbmbank.co.in
- Contacting the bank's Customer Service Executives on the following:
Telephone No: 1800-1033-817 / 1800 2099 335
Email: customercare@sbmbank.co.in
- Writing a letter to SBMBI at the following address:
The Customer Service Manager
SBM Bank (India) Ltd
101, Raheja Centre, Free Press Journal Marg,
Nariman Point, Mumbai – 400021, Maharashtra
- Website (Grievance redressal mechanism)

The SBMBI staff members should then log the complaint or write to the relevant Unit Leader.

5.1.2 Level 2

If a customer is not satisfied with the response that SBMBI has provided or has not heard from SBMBI within 10 working days, the issue can be escalated by writing to the address mentioned below:

- Address
Nodal Officer
SBM Bank (India) Ltd

Registered Office-
101 Raheja Centre, Free Press Journal Marg, Nariman Point
Mumbai 400 021 INDIA.

Corporate Office-
306-A, The Capital, G Block, Bandra Kurla Complex,
Bandra east, Mumbai-400051, INDIA.
- Email: nodal.officer@sbmbank.co.in
- Telephone: 022 4302 8888

5.1.3 Level 3

If the customer still feels that his/her concerns have still not been fully addressed or if he/she does not hear from the Nodal Officer within 7 working days, he/she may write to –

- Address
Principal Nodal Officer
SBM Bank (India) Ltd

Registered Office-
101 Raheja Centre, Free Press Journal Marg, Nariman Point
Mumbai 400 021 INDIA.

Corporate Office-
306-A, The Capital, G Block, Bandra Kurla Complex,
Bandra east, Mumbai-400051, INDIA.
- Email: principalnodalofficer@sbmbank.co.in
- Telephone: 022 4302 8888

5.1.4 Banking Ombudsman

In the event that customers have not received any response within one month from the date the SBMBI first received their representation, or if the customer is dissatisfied with the response given by SBMBI, he/she may write to the Banking Ombudsman of the area concerned.

The Banking Ombudsman Scheme, 2006 was introduced with the objective of enabling resolution of complaints relating to provision of banking services and resolving disputes between a bank and its constituent through the process of conciliation, mediation and arbitration in respect of deficiencies in customer service. After detailed examination of the complaints / grievances of customers of banks and after perusal of the comments of banks, the Banking Ombudsmen issue their awards in respect of individual complaints to redress the grievances.

The contact details of the banking Ombudsman of the area are displayed at each branch.

SBMBI should follow the following additional guidelines while dealing with complaints:

- a) **Complaints/suggestions box** - Complaints/suggestions box should be provided at each office of SBMBI. Further, at every office of SBMBI a notice requesting the customers to meet the branch manager regarding grievances may be displayed, if the grievances remain unredressed.
- b) **Complaint Book /Register** -. Complaint book with perforated copies in each set to be maintained, so designed as to instantly provide an acknowledgement to the customers and an intimation to the Controlling Office of SBMBI along with the remark of the Branch Manager within the specified time frame. The complaints registers maintained by branches should be scrutinized by the concerned Bank Officials during their periodical visit to the branches and the observations/comments recorded in the visit reports.
- c) **Complaint Form** - A complaint form, with the name of the Nodal Officer for complaint redressal, may be provided in the homepage itself to facilitate complaint submission by customers. Standard customer complaint form will be made available across all the channels. The complaint form should also indicate that the first point for redressal of complaints is SBMBI itself and that complainants may approach the Banking Ombudsman only if the complaint is not resolved at SBMBI level within a month.
- d) SBMBI should also specify a time frame for resolving customer complaints at each level and further ensure that complaints emanating from rural areas also form part of the same redressal process. For detailed procedures on the grievance redressal machinery, SBMBI should follow the guidelines mandated by the Master Circular on Customer Service in Banks.

Customer Protection and Compensation

- A complaint in respect of unauthorized electronic transactions is resolved and liability of the customer, if any, established within such time, as specified in the bank's Board approved policy on Customer Compensation, but not exceeding 90 days from the date of receipt of the complaint, and the customer is compensated as per RBI's regulatory guidelines / provisions specified on Customer Protection – Limiting Liability of Customers in Unauthorized Electronic Banking Transactions from time to time;
- where it is unable to resolve the complaint or determine the customer liability, if any, within 90 days, the compensation as prescribed in RBI guidelines on Customer Protection – Limiting Liability of Customers in Unauthorized Electronic Banking Transactions is paid to the customer; and
- 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.
- SBMBI will compensate the customer for any delay in processing the transaction as per the circular on Harmonization of the TAT
- A complaint in respect of credit card closure to be attended and resolved within the TAT of 7 working days, any delay towards closure of the credit card would be compensated basis the 'Master Directions on Debit and Credit card issuance'. i.e. bank has to pay ₹500 per calendar day for the number of days delayed.

The Master Circular of Reserve Bank of India on Customer Services in Bank will be the guiding document in resolution of complaints/ grievances of the customers on various operational issues

5.1.5 Response to Complaints

- Complaints should be processed in a timely and efficient manner. SBMBI should establish internal SLAs to ensure timely and efficient response to complaints handling.
- SBMBI's goal is to address complaints at first contact. All customer's written complaints shall be acknowledged within 3 working days. The first acknowledgment that goes is an Auto generated mail through SuiteCRM.
- Every complaint should be assigned a unique reference ID to ensure tracking and closure of the complaint
- The complaints shall be classified as per their type in line with SBMBI's internal procedures.
- Where necessary, customers shall be kept informed of the progress of their complaint and SBMBI
- SBMBI's internal escalation process within 7 business days.
- If complaints are received by letters or email, the Nodal team should send the acknowledgement of the complaint to the customer by post or e-mail.
- Constituent Subsidiary General Ledger (CSGL) is a facility given to corporate customers who intend to invest in government securities through our bank.

- In case of any grievance at the customer's end that is raised with TBO or the business, TBO shall take all requisite measures to address the same and close the issue to the satisfaction of the customer. In case the grievance remains unresolved to customer satisfaction and is raised with RM or on the customer portal, the service team will resolve the complaints in coordination with Capital Market RM to the satisfaction of the customer as per the process guided under the Grievance Redressal Policy.
- If complaints are received by letters or email, the Nodal team should send the acknowledgement of the complaint to the customer by post or e-mail -as the case may be.
- In case of wrong credit to the customer's account by any other party, an auto debit from the customer's account cannot be done in the absence of consent from him. However, if any regulatory or statutory guidelines are issued. Bank to adhere to such guidelines.
- Further, it is the responsibility of the customer in who's account there is wrong credit to return the said amount, in case the customer denies, SBMBI can mark lien to the customer's account till the time consent is received.
- For the instance where the funds are erroneously credited to the customer's account due to technical glitch/ system/ manual error; the SBMBI reserves its right to debit the account for reversing the amounts in case a wrong credit is posted to a customer's account without payment of any compensation. For reversal of wrong credit posted by SBMBI no consent of customer is required.
- However, for reversing the amounts in case of wrong credit entirely due to an error on the part of a third party, prior consent of the customer is required to do such reversal.
- Section 72 of the Indian Contract Act provides that: Liability of person to whom money is paid, or thing delivered, by mistake or under coercion. —A person to whom money has been paid, or anything delivered, by mistake or under coercion, must repay or return it.

5.1.6 Nodal Officers

SBMBI should have a nodal department / official for customer service in the Head Office and each controlling office, whom customers with grievances can approach in the first instance and with whom the Banking Ombudsman and RBI can liaise.

The Nodal Officer is responsible for the implementation of customer service and Grievance Redressal for the entire operations of SBMBI. The Nodal Officer should also ensure that customers are educated regarding the Grievance Redressal procedures of SBMBI through periodic campaigns.

SBMBI should ensure that:

- Contact details including name, complete address, telephone / fax number, email address, etc., of the Nodal Officer who will be a Senior Officer of the SBMBI have been prominently displayed in the portal of SBMBI preferably on the first page of the website.
- Grievance Redressal Mechanism (GRM) is simple & easy for customers. Call centers & customer care units have quick authentication processes for a better call center experience.
- Where 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.

5.1.7 Monitoring of Complaints

SBMBI has constituted three levels of committees for effective customer service and grievance redressal:

I. Branch Level Customer Service forum-

SBMBI has also established a branch level customer service forum to encourage a formal channel of communication between the customers and SBMBI at the branch level. The branch level forum should meet at least once a month to study complaints/suggestions, cases of delay; difficulties faced / reported by customers / members of the forum and evolve ways and means of improving customer service.

II. Customer Service Committee-

SBMBI has constituted a Customer Service Committee as one of its eight board level Committees. The committee includes experts and representatives of customers as invitees to enable SBMBI to formulate policies and assess the compliance thereof internally. The committee aims at strengthening the corporate governance structure in the banking system and also to bring about ongoing improvements in the quality of customer service provided by SBMBI.

SBMBI has also established a branch level customer service forum to encourage a formal channel of communication between the customers and SBMBI at the branch level. The branch level forum should meet at least once a month to study complaints/suggestions, cases of delay; difficulties faced / reported by customers / members of the forum and evolve ways and means of improving customer service.

Role of the Customer Service Forum

- Evaluate feedback on quality of customer service and implementation of commitments
- Ensure that all regulatory instructions regarding customer service are followed by SBMBI. To achieve this, the forum should obtain necessary feedback from zonal/regional managers/ functional heads
- Consider unresolved complaints/grievances referred by functional heads responsible for redressal and provide their advice
- Submit reports on its performance to the Customer Service committee of the board on a Half yearly basis.
- The Customer Service forum could also address the following:
 - a) formulation of a Comprehensive Deposit Policy
 - b) issues such as the treatment of death of a depositor for operations of his account
 - c) product approval process with a view to ensure suitability and appropriateness
 - d) annual survey of depositor satisfaction
 - e) Triennial audit of such services.

III. Customer Service Executive Forum

The Customer Service Executive Forum or the Standing Committee on Customer Service (to be undertaken as part of its responsibility by the existing Management forum at SBMBI) is the micro level executive committee driving the implementation process and providing relevant feedback while the Customer Service Committee of the Board would oversee and review / modify the initiatives.

The Forum should also receive quarterly reports with inputs / suggestions from the branch level customer service committee, which would enable it to examine them and provide relevant feedback to the Customer Service Committee of the Board for necessary policy / procedural action.

5.1.8 Customer Rights during the Investigation Process

Customers have the right to enquire about the status of their complaint by contacting the relevant relationship manager or Customer Service Executive who shall handle the complaint.

5.1.9 Records / Systems

Complaints shall be recorded and analyzed. Where systemic trends and recurring problems are identified, feedback shall be provided to the operational risk forum monthly. Furthermore, SBMBI shall aim to archive customer complaints for a period of 7 years and/or as per our Internal retention policy.

5.2.0 Review, Analysis and Disclosure of complaints

The Head of Customer Service along with the business heads is accountable for the quality of service rendered and the policy's effectiveness in addressing the complaints.

SBMBI should place a statement of complaints before their Customer Service Committee along with an analysis of the complaints received annually. The complaints should be analyzed:

- to identify customer service areas in which the complaints are frequently received.
- to identify frequent sources of complaint.
- to identify systemic deficiencies.
- to initiate appropriate action to make the grievance redressal mechanism more effective.
- to classify them based on exposure to various risks including reputational risks and devise response mechanism to match priority of such complaints.

SBMBI should disclose the following details along with their financial results.

a) Customer Complaints

- No. of complaints pending at the beginning of the year
- No. of complaints received during the year.
- No. of complaints redressed during the year.
- No. of complaints pending at the end of the year

b) Awards passed by the Banking Ombudsman

- No. of unimplemented Awards at the beginning of the year
- No. of Awards passed by the Banking Ombudsmen during the year.
- No. of Awards implemented during the year.
- No. of unimplemented Awards at the end of the year

This statement of disclosure should include all the complaints received at the Head Office / Controlling Office level as well as the complaints received at the branch level. However, where the complaints are redressed within the next working day, SBMBI should not include the same in the statement of complaints.

5.2.1 Review of Grievance Redressal Process

SBMBI's Grievance Redressal procedures and systems are to be annually reviewed to ensure optimum effectiveness and efficiency. Any need for improvement shall be appropriately raised and highlighted.

5.2.2 Mandatory display requirements

It is mandatory for the SBMBI to provide to customers:

- Appropriate arrangement for receiving complaints and suggestions.
- The name, address and contact number of Nodal Officer(s)
- Contact details of Banking Ombudsman of the area
- Code of the bank's commitments to customers/Fair Practice code

These display requirements should be met through:

- Display on notice boards at branches.
- Display on the official web site of the bank.
- the Customer Acceptance Document
- Alerts from time to time around system / operative changes for accounts, on implementing RBI guidelines related to withdrawals / payments including card payments and online payments.
- Information access to customer help lines in branches

5.2.3 Interaction with customers

SBMBI recognizes that the customer's requirements/ expectations/ grievances can be better appreciated through personal interaction with the customer by the bank's staff. Structured customer meets once in a month will give a message to the customers that SBMBI cares for them and values their feedback for improvement in customer service.

It is mandatory for the SBMBI to provide to customers:

- Appropriate arrangement for receiving complaints and suggestions.
- Customer education of the complaints handling procedure during new customer onboarding
- Access to the complaints handling form on the official website of the bank

For customers' accounts that are relationship managed, the Relationship Manager, Private or Personal Banker will be responsible for taking ownership of the complaint and communicating with the customer.

For non-relationship managed customers, the Compliance Officer or equivalent will call and manage the customers and will be responsible for post service recovery with the help of service units/support departments. The latter should ensure that requests sent to them by Complaints Cell are replied to within one business day. If they require further time to investigate, they should keep Complaints Cell informed with clear target dates so that clients may be notified.

Further, periodic meetings will be held with customers to gather feedback on the quality of customer service. The output will feed into updating SBMBI products & services to align them with customer requirements. Furthermore, it is incorporated as a part of the customer service forum's functions which evaluates this feedback and implementation of the commitments.

5.2.4 Time frame

Complaints received should be analyzed comprehensively by setting up specific time schedules for handling complaints and disposing them at all levels including branches, zonal and head office. The branch manager should try to resolve the complaint within specified time frames, decided by SBMBI. Communication of the bank's stand on any issue to the customer is a vital requirement.

Complaints received which would require some time for examination of issues involved should invariably be acknowledged promptly. Additionally, the complainant may use the unique reference ID provided to him to enquire about the status of the complaint at any point during its redressal. SBMBI will be responsible for ensuring timely response to complaints in line with

internal SLAs and stipulated RBI timelines. Branch and zonal offices of SBMBI should send an 'action taken report' on complaints received at the end of every month to the Customer Service Department.

5.2.5 Sensitizing operating staff on handling complaints

SBMBI should ensure that the bank's staff should be properly trained for handling complaints. Imparting soft skills required for handling irate and agitated customers should be an integral part of the training schedule for the staff. It should be the responsibility of the Nodal Officer to ensure that internal machinery for handling complaints/grievances operates smoothly and efficiently at all levels. He/she should give feedback on training needs of the staff at various levels to the HR Department.

SBMBI should further ensure the following:

- The Nodal officer or HR Division will assess completion of the specific mandatory training programs for the staff in various departments handling various parts of the complaint management process.
- New Joiners will be provided specific session of customer complaint management (bank's vision and policy) at the time of joining SBMBI in the onboarding orientation.
- The audit policy of SBMBI across various types of audits will ensure required checks and audits of customer complaint management process and is implemented at the branches. This will include awareness of staff, collaterals, notices displayed, records management etc.

6. Internal Ombudsman

As per the requirement of RBI circular CEPD.CO.PRS.Cir.No.01/13.01.009/2018-19 on Internal Ombudsman Scheme 2018 - Implementation by banks dated September 3, 2018, SBMBI shall appoint one or more Internal ombudsman if number of branches reaches ten (10) or more. Post appointment the Bank shall send the contact details of the Internal Ombudsman(s) to Consumer Education and Protection Department, Central Office, Reserve Bank of India, 1 st floor, Amar Building, Sir P M Road, Fort, Mumbai 400 001 (e-mail: cgmcepd@rbi.org.in) and ensure to update the same as and when there is any change withing 15 days from the date of appointment or any changes.

SBMBI will put in place a mechanism of reporting of complaints to Internal Ombudsman (s). The cases of denial/partial denial cases shall be referred to the Internal Ombudsman. The decision of the Internal Ombudsman is binding on SBMBI. If the decision of Banking Ombudsman is different from the decision of the Internal Ombudsman, the decision Banking Ombudsman shall be upheld by the Bank.

Complaints addressed to Branch, Customer Care, Nodal Officer, and Principal Nodal Officer which are partially or wholly rejected shall be referred to the Internal Ombudsman of SBMBI before communicating the decision to complainant.

Role and Responsibilities of Internal Ombudsman

(1) The Internal Ombudsman shall not handle complaints received directly from the complainants or members of the public but deal with the complaints that have already been examined by the regulated entity but have been partly or wholly rejected by the regulated entity.

(2) The following types of complaints shall be outside the purview of these Directions and shall not be handled by the Internal Ombudsman:

- (a) Complaints related to corporate frauds, misappropriation etc., except those resulting from deficiency in service, if any, on the part of the regulated entity;
- (b) References in the nature of suggestions and commercial decisions of regulated entity. However, service deficiencies in cases falling under 'commercial decisions' will be valid complaints for the Internal Ombudsman;
- (c) Complaints / references relating to (i) internal administration, (ii) human resources, or (iii) pay and emoluments of staff in the regulated entity;
- (d) Complaints which have been decided by or are already pending in other for a such as the Consumer Disputes Redressal Commission, courts, etc.;
- (e) Disputes for which remedy has been provided under Section 18 of the Credit Information Companies (Regulation) Act, 2005.

The regulated entity shall forward all rejected / partially rejected complaints under the categories (a) and (b) above to the Internal Ombudsman/s. The Internal Ombudsman shall look for inherent deficiency in service in such cases and take a view whether any of these complaints can be exempted under (a) and / or (b) above as decided by the regulated entity.

(3) Complaints that are outside the purview of these Directions shall be immediately referred back to the regulated entity by the Internal Ombudsman.

(4) The Internal Ombudsman shall analyse the pattern of complaints such as product / category wise, consumer group wise, geographical location wise, etc., and suggest means for taking actions to address the root cause of complaints of similar / repeat nature and those that require policy level changes in the regulated entity.

The Internal Ombudsman shall examine the complaints based on records available with the regulated entity, including any documents submitted by the complainant and comments or clarifications furnished by the regulated entity to the specific queries of the Internal Ombudsman. The Internal Ombudsman may seek additional information and documents from the complainant, through the regulated entity. In the case of CICs, the Internal Ombudsman may seek additional information from the concerned Credit Institution/s (CI) through CIC. The Internal Ombudsman must record a “reasoned decision” in each case.

(5) The Internal Ombudsman may hold meetings with the concerned functionaries of the regulated entity and seek any record / document available with the regulated entity that is necessary for examining the complaint and reviewing the decision. The regulated entity shall furnish all records and documents sought by the Internal Ombudsman to enable expeditious resolution of the complaints without any undue delay.

(6) The Internal Ombudsman shall, on a quarterly basis, analyze the pattern of all complaints received against the regulated entity, such as entity-wise (for CICs), product-wise, category-wise, consumer group-wise, geographical location-wise, etc., and may provide inputs to the regulated entity for policy intervention, if so warranted.

(7) The Internal Ombudsman shall not represent the regulated entity in legal cases before any court or fora or authority.

(8) In cases of conciliation, where the decision of the Internal Ombudsman is accepted by the complainant, a statement showing the terms of agreement duly signed by the complainant, shall be kept on record.

7. ONLINE DISPUTE RESOLUTION (ODR) SYSTEM FOR DIGITAL PAYMENTS

- Reserve Bank of India (RBI) had announced introduction of Online Dispute Resolution (ODR) system for resolving customer disputes and grievances pertaining to digital payments, using a system-driven and rule-based mechanism with zero or minimal manual intervention.
- The Payment System Vision-2021 of Reserve Bank highlights the need for technology-driven, rule-based, customer-friendly and transparent dispute redressal systems. As a step in this direction, authorised Payment System Operators (PSOs) – banks and non-banks – and their participants are hereby advised to put in place system/s for ODR for resolving disputes and grievances of customers.
- Based on experience gained, ODR arrangement would later be extended to cover disputes and grievances other than those related to failed transactions. Please note that if the grievance remains unresolved up to one month, the customer may approach the respective ombudsman.

STRENGTHENING OF GRIEVANCE REDRESS MECHANISM IN BANKS

The framework for strengthening grievance redress mechanism in SBMBI will have the following major components:

8. ENHANCED DISCLOSURES ON COMPLAINTS

(A) Disclosures serve as an important tool for market discipline as well as for consumer awareness and protection. Appropriate disclosures relating to the number and nature of customer complaints and their redress facilitate customers and interested market participants to better differentiate among banks to take an informed decision in availing their products and services. To ensure provision of relevant and important information in this regard to SBMBI customers and other stakeholders, the current set of disclosures made by the banks are being enhanced as indicated below:

Disclosures by banks

(B) Disclosures currently made by SBMBI regarding customer complaints and grievance redress in their annual report are made in terms of Para 16.4 of the Master Circular on ‘Customer Service in Banks’ dated July 01, 2015. The disclosures are summary in nature and comprise the following:

Current disclosures made by banks on complaints and grievance redress

- Customer complaints (received by the SBMBI)

		Previous year	Current year
(a)	No. of complaints pending at the beginning of the year		
(b)	No. of complaints received during the year		
(c)	No. of complaints redressed during the year		

(d)	No. of complaints pending at the end of the year		
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• Awards passed by the Banking Ombudsman

		Previous year	Current year
(a)	No. of complaints pending at the beginning of the year		
(b)	No. of complaints received during the year		
(c)	No. of complaints redressed during the year		
(d)	No. of complaints pending at the end of the year		

(C) It has now been decided that the above disclosures will be replaced by the following set of granular disclosures to be made by banks in their annual reports. These disclosures are intended to provide to the customers of SBMBI and members of public greater insight into the volume and nature of complaints received by the SBMBI from their customers and the complaints received by banks from the OBOs, as also the quality and turnaround time of redress.

Enhanced disclosures to be made by banks on complaints and grievance redress

• Summary information on complaints received by the SBMBI from customers and from the OBOs

Sr.No.	Particulars	Previous year	Current year
	Complaints received by the SBMBI from its customers		
1.	Number of complaints pending at beginning of the year		
2.	Number of complaints received during the year		
3.	Number of complaints disposed during the year		
3.1	Of which, number of complaints rejected by the SBMBI		
4.	Number of complaints pending at the end of the year		
	Maintainable complaints received by the SBMBI from OBOs		
5.	Number of maintainable complaints received by the SBMBI from OBOs		
5.1	Of 5, number of complaints resolved in favour of the SBMBI by Bos		
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by BOs		
5.3	Of 5, number of complaints resolved after passing of Awards by BOs against the SBMBI		
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)		

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in BO Scheme 2006 and covered within the ambit of the Scheme.

• Top five grounds of complaints received by the SBMBI from customers

Grounds of complaints relating to (i.e.)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Ground – 1					
Ground – 2					
Ground – 3					
Ground – 4					
Ground – 5					
Others					
Total					
Previous Year					
Ground – 1					
Ground – 2					
Ground – 3					
Ground – 4					
Ground – 5					
Others					

Total					
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Note: The master list for identifying the grounds of complaints is provided in **Annexure 3**.

9. RECOVERY OF COST OF REDRESS OF COMPLAINTS FROM BANKS

At present, redress of complaints under BO Scheme, 2006 (BOS) is cost-free for banks as well as their customers. Given that the banker-customer relationship is the primary relationship, the main responsibility of customer grievance redress lies with banks. With a view to ensure that banks discharge this responsibility effectively, the cost of redress of complaints will be recovered from those banks against whom the maintainable complaints² in the OBOs exceed their peer group average as detailed in the para below. However, grievance redress under BOS for customers will continue to remain cost-free.

To operationalize the cost-recovery framework for banks, peer groups based on the asset size of banks as on March 31 of the previous year will be identified, and peer group averages of maintainable complaints received in OBOs would be computed on the following three parameters:

- average number of maintainable complaints per branch.
- average number of maintainable complaints per 1,000 accounts (total of deposit and credit accounts) held by the bank; and
- average number of maintainable digital complaints per 1,000 digital transactions executed through the SBMBI by its customers.

The cost of redressing complaints in excess of the peer group average will be recovered from the banks as follows:

- excess in any one parameter - 30% of the cost of redressing a complaint (in the OBO) for the number of complaints in excess of the peer group average;
- excess in any two parameters - 60% of the cost of redressing a complaint for the number of complaints exceeding the peer group average in the parameter with the higher excess;
- excess in all the three parameters – 100% of the cost of redressing a complaint for the number of complaints exceeding the peer group average in the parameter with the highest excess.

The cost of redress to be recovered in this respect will be the average cost of handling a complaint at the OBOs during the year.

10 INTENSIVE REVIEW OF GRIEVANCE REDRESS MECHANISM

Reserve Bank will undertake, as a part of its supervisory mechanism, annual assessments of customer service and grievance redress in banks based on the data and information available through the Complaint Management System, and other sources and interactions. Banks identified as having persisting issues in grievance redress will be subjected to an intensive review of their grievance redress mechanism to better identify the underlying systemic issues and initiate corrective measures. The intensive review shall include, but will not be limited to, the following areas:

- Adequacy of customer service and customer grievance redress related policies.
- Functioning of the Customer Service Committee of the Board.
- Level of involvement of the Top Management in customer service and customer grievance related issues.
- Effectiveness of the grievance redress mechanism of banks.

Based on the review, a remedial action plan will be formulated and formally communicated to the banks for implementation within a specific time frame. In case no improvement is observed in the grievance redress mechanism within the prescribed timelines despite the measures undertaken, the bank(s) will be subjected to corrective actions through appropriate regulatory and supervisory measures.

11. POLICY REVIEWS

This Grievance Redressal Policy will be reviewed at least once a year or more frequently (if required) by Customer Service Committee.

Customer Service Committee must recommend to the Board any changes or amendments to the policy for their approval

12. POLICY AMENDMENT AUTHORITY

The Customer Service Committee, SBMBI must recommend to the Board any changes or amendments to the policy for their approval.

13. LIST OF ACRONYMS

CSA	Customer Service Assistant
SLA	Service Level Agreements

SBMBI	SBM Bank (India) Ltd.
BO	Banking Ombudsperson
OBO	Offices of Banking Ombudsman
ODR	Online Dispute Resolution

ANNEXURE 1: RBI SOURCES

The below document has been referred to while working on this policy:

- Master Circular on Customer Service in Banks DBOD No. Leg.BC. 21 /09.07.006/2015-16 dated July 01, 2015
- RBI circular DBR. No.Leg.BC.78/09.07.005/2017-18 dated July 6, 2017 on Customer Protection – Limiting Liability of Customers in Unauthorised Electronic Banking Transactions
- RBI circular on Strengthening of Grievance Redress Mechanism in Banks “RBI/2020-21/87 CEPD.CO.PRD.Cir.No.01/13.01.013/2020-21” dated January 27, 2021
- RBI circular RBI/2020-21/21 DPSS.CO.PD No.116/02.12.004/2020-21 dated 06 August 2020 on Online Dispute Resolution (ODR) System for Digital Payments.
- RBI/CEPD/2023-24/108 “CEPD.PRD.No.S1228/13.01.019/2023-24” dated 29 December 2023

Any updates in the relevant RBI circulars with regards to Grievance Redressal Policy, would supersede the policy supplement statements given here and would accordingly need to be incorporated in the next revision in the supplement.

ANNEXURE 2: GRIEVANCE REDRESSAL FOR DEALERS AND TREASURY SALES OFFICERS

Introduction:

In this Annex pertaining to Grievance Redressal

for a dealer, a complaint means an expression of dissatisfaction by a customer relating to a service or product provided by the Treasury Department. The term also connotes expression of concern because of any of these including but not limited mis-sale of product by dealer, providing wrong market information, front-running by dealer, insider information.

How to lodge a complaint:

If a person is dissatisfied with a service provided and in the first instance the Dealer/ Treasury Sales Official dealing with the matter is unable to resolve the issue to the satisfaction of the client, the matter shall be escalated to the Head of Treasury. If the complainant is not comfortable with this or considers that the complaint has not addressed the concern adequately or within a reasonable time, may lodge a complaint as follows:

- By mail:

Address: Chief Vigilance Officer
SBM Bank (India) Ltd
306A, The Capital, G Block, Bandra Kurla Complex, Bandra East
Mumbai 400 051
INDIA

- By email: civ@sbmbank.co.in

Information sought:

The Treasury /Compliance/ Vigilance Department relies on the information provided by the complainant and any other information held to be able to investigate the complaint. Where necessary, when carrying out an investigation, the complainant may need to be contacted to clarify or provide additional information. To ensure that a complaint is investigated effectively and efficiently, the complainant will be asked to provide the following information at the point when the complaint is lodged:

- Full name and contact details,
- The name of the member of staff dealing with the matter,
- The nature of the complaint,
- Details of any steps which may have already been taken to resolve the complaint,
- Details of any conversations held with staff members in relation to the complaint,
- Copies of relevant documentation that may support the complaint.

However, documentary evidence may not be insisted upon from the complainant when there are complaints of insider trading, indulging in wrong market practice, forming a cartel to move the market price, colluding with brokers and giving unreasonable favor to market intermediaries and breach in regulation.

Recording complaints:

The above information will be placed on record, including the facts and the cause of the complaint, the outcome and any action taken following the investigation of the complaint. All dates and times relating to actions taken to resolve the complaint will be recorded, including communication with the complainant (both verbal and in writing). If a complaint is lodged, the complainant's personal information will be recorded solely for the purpose of addressing the complaint.

All operational aspects of Grievance Redressal will be in terms of Section 4.2 to Section 4.5 of the Customer Grievance Redressal Policy.

Complaints under investigation by a regulator or law enforcement:

After investigation by internal committee, if the SBMBI finds evidence of wrong-doing by the dealer, Head- Treasury, in consultation of Chief Vigilance Officer and Chief Compliance Officer shall determine whether any action is required to be taken which may include but not limited to disciplinary proceedings as per HR Policy of the SBMBI and/or reporting to the regulatory authorities or law enforcing agency. In the event complaint is being investigated by a regulator or law enforcement agency wherein Treasury dealer is involved, the SBMBI reserves right to take necessary action in terms of its HR Policy.

ANNEXURE 3: STRENGTHENING OF GRIEVANCE REDRESS MECHANISM IN SBMBI

Master list of grounds of complaints to be used for disclosure on the top five ground-wise receipt of complaints by SBMBI under Para (C) of Point 6.

- 1) ATM/Debit Cards
- 2) Credit Cards
- 3) Internet/Mobile/Electronic Banking
- 4) Account opening/difficulty in operation of accounts.
- 5) Mis-selling/Para-banking
- 6) Recovery Agents/Direct Sales Agents
- 7) Pension and facilities for senior citizens/differently abled
- 8) Loans and advances
- 9) Levy of charges without prior notice/excessive charges/foreclosure charges
- 10) Cheques/drafts/bills
- 11) Non-observance of Fair Practices Code
- 12) Exchange of coins, issuance/acceptance of small denomination notes and coins
- 13) Bank Guarantees/Letter of Credit and documentary credits
- 14) Staff behavior
- 15) Facilities for customers visiting the branch/adherence to prescribed working hours by the branch, etc.
- 16) Others

ANNEXURE 4: MINIMUM REQUIREMENTS OF THE ODR SYSTEM

1. Applicability

These requirements apply to all authorized Payment Systems Operators (PSOs) – banks and non-banks – and their participating members [Payment System Participants (PSPs)].

2. Concept of the ODR system

The ODR system is a transparent, rule-based, system-driven, user-friendly and unbiased mechanism for resolving customer disputes and grievances, with zero or minimal manual intervention.

3. Structure of the ODR system

- SBMBI is made available an ODR system for resolving disputes and grievances arising out of failed transactions and provide the participating PSPs an access to the system.
- SBMBI and its PSPs is provided the customers an access for lodging the disputes and grievances relating to failed transactions, irrespective of such transactions being on-us or off-us in nature.

4. Types of transactions covered under the scope of the ODR system

- To begin with, disputes and grievances relating to failed transactions shall be covered under the ODR system. The scope, thus, includes all transaction types mentioned in the RBI circular DPSS.CO.PD No.629/02.01.014/2019-20 dated September 20, 2019 on “Harmonisation of Turn Around Time (TAT) and customer compensation for failed transactions using authorized Payment Systems”.
- All provisions, including those relating to TAT and compensation to customers mentioned in the above circular need to be adhered to while resolving disputes and grievances using the ODR system.

5. Lodging and tracking of disputes and grievances.

- Customers is provided with one or more channels – web-based or paper-based complaint form, , mobile application, call centre, SMS, through branches or offices, etc. – for lodging disputes and grievances. As mentioned above, such facility is provided by the SBMBI as well as by the PSP (the issuer institutions with whom the customer has a relationship) with a mechanism to link / access the ODR system put in place by the SBMBI. The industry may progressively increase the variety of these channels.

- In addition to the above channels, in case of mobile phone-based systems like Unified Payments Interface (UPI), third party app providers (TPAPs) is also provided to the customers with a facility to lodge disputes and grievances through the same mobile app used for making payments, which is integrated with the ODR system.
6. The process of lodging the dispute or grievance is simple and involve only necessary minimum details. The ODR system is capable of automatically fetching full details based on the information provided by the customer. The aspect of data confidentiality is specifically taken care of while designing such parameters.
 7. Once a customer has lodged the dispute or grievance, a unique reference number shall be allocated by the ODR system. Facility is provided to the customers for tracking the status of the dispute or grievance using this reference number.