

Kotak Mahindra Bank

Grievance Redressal Policy

Ver 1.03

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1 Policy for grievance redressal

1.1 Introduction

In the present scenario of competitive banking, excellence in customer service is the most important tool for sustained business growth. Customer complaints are part of the business life of any corporate entity and serves as useful tool to get a view of what customers want. This is more so for banks because banks are service organizations. As a service organization, for Kotak Mahindra Bank (hereinafter referred to as KMBL or the Bank) customer service and customer satisfaction should be the prime concern of any bank. The bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing ones.

1.2 Objective

The objective of the policy is to spell out the framework for Grievance Redressal in the Bank in conformity with RBI's Master Circular on Customer Services, Customer Rights Policy and BCSBI Code of Commitments. This policy document aims at minimizing instances of customer complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of customer complaints and grievances. The review mechanism should help in identifying shortcomings in product features and service delivery. Customer dissatisfaction would spoil bank's name and image and hence every department is has to consider customer grievance resolution as its top priority is the mantra.

In order to make bank's redressal mechanism more meaningful and effective, a structured system has been built which would ensure that the redressal sought to be offered to the complainant, is just and fair and within the given frame-work of rules and regulations of the Bank and Regulators. The policy document is made available at all branches. The GR Policy is also hosted on the Bank's website. The concerned employees should be made aware about the Complaint handling process.

Principles of grievance redressal at KMBL:

The guiding principles of the approach to grievance redressal at KMBL is as follows:

Being Transparent:

The customer shall be provided with the details of channels available to service their requirements and resolve complaints. The turnaround time for issues to be redressed shall be communicated transparently through the various service channels.

Ease of access:

The Bank shall enable the customers to choose the channel of choice available, physical or digital as per their convenience.

Ease of Escalation:

In case the customer is not satisfied with the resolution s/he will be provided with a clear hierarchy to escalate the same seamlessly. The escalation levels will be clearly communicated by the bank and made available in the branches, Bank's website and 24x7 Customer Experience Centre.

Regularly seek feedback:

Bank will closely listen to the voice of the customer to make appropriate changes to the product and process to suit the needs of the customer and ease banking operations so as to reduce issues and improve overall satisfaction.

Continuous improvement Culture:

The bank through appropriate forums will get to the root cause of issues and implement solutions to improve customer experience on an ongoing basis.

Customer Education:

The Bank shall endeavor to make continuous efforts to educate its customers both internal and external to ensure smooth and seamless operation and reduction of complaints.

Definition of Complaint, Request, Query:

KMBL defines a complaint as a material lapse or gap in service delivery vis-a-vis the promise made to the customer through our product and service offerings or through interaction with the various channels. Complaints could be on account of breach in committed turnaround time, unfulfilled promise or non-fulfilment of a request placed with the bank.

Request refers to any fulfilment action that the customer asks for in regards to his relationship with the bank. Requests will have specific turnaround time that will be communicated to the customer.

Query is any information that the customer seeks regarding the product or service.

The customer complaint arises due to:

- The attitudinal aspects in dealing with customers
- Inadequacy of the functions/arrangements made available to the customers or gaps in standards of services expected and actual services rendered.

The customer is having full right to register his complaint if he is not satisfied with the services provided by the bank. He can give his complaint in writing, orally or over telephone. If customer's complaint is not resolved within given time or if he is not satisfied with the solution provided by the bank, he can approach Banking Ombudsman with his complaint or other legal avenues available for grievance redressal.

Applicability and coverage of the Policy:

- The policy is applicable to all branches and all personnel working in branches & Offices.
- Applicable to Central Office departments and its personnel involved in functioning of overseas and domestic operations of the Bank.
- Customers from rural area.
- Third party product distributed/ referred by the Bank.
- Any schemes introduced by the Government and serviced by the Bank.
- Applicable to Business Correspondents and Outsourced employees.
- Customers availing Small Saving Schemes of Government of India.
- Customers opening account under Pradhan Mantri Jan Dhan Yojana.

1.3 Internal Machinery to handle Customer complaints/ grievances

1.3.1 Customer Service Committee of the Board

The Committee would examine any other issues having a bearing on the quality of customer service rendered. This Committee would also review the functioning of Standing Committee on Customer Service. This sub-committee of the Board would be responsible for formulation of a Comprehensive Deposit Policy incorporating the issues such as the treatment of death of a depositor for operations of his account, the product approval process and the annual survey of depositor satisfaction and the tri-annual audit of such services. Bank will place all the awards given by the Banking Ombudsman before the Customer Service Committee of the Board, to enable them to address issues of systemic deficiencies existing in the Bank, if any, brought out by the awards. To review all the Banking Ombudsmen awards remaining unimplemented for more than three months with the reasons therefor to enable the Committee to report to the Board such delays in implementation without valid reasons, and for initiating necessary remedial action.

1.3.2 Customer Service Standing Committee

The Customer Service Standing Committee will be chaired by the Managing Director / Joint Managing Director of the bank. Besides two to three senior executives of the bank, the committee would also have two to three eminent non-executives drawn from the public as members. The committee would have the following functions.

- The Standing Committee shall be entrusted not only with the task of ensuring timely and effective compliance of the RBI instructions on customer service, but also that of receiving the necessary feedback to determine that the action taken by various departments of the Bank is in tune with the spirit and intent of such instructions.
- The Standing Committee may review the practice and procedures prevalent in the Bank and take necessary corrective action, on an ongoing basis as the intent is translated into action only through procedures and practices.
- Evaluate feed-back on quality of customer service received from various quarters. The committee would also review comments/feed-back on customer service and

implementation of commitments in the Code of Bank's Commitments to Customers issued by BCSBI and adopted by the Bank's Board.

- The Committee would be responsible to ensure that all regulatory instructions regarding customer service are followed by the bank. Towards this, the committee would obtain necessary feed-back from zonal/regional managers/functional heads.
- The committee also would consider unresolved complaints/grievances referred to it by functional heads responsible for redressal and offer their advice. The committee would submit report on its performance to the customer service committee of the board at quarterly intervals.
- Complaints about non-adherence to the BCSBI Code would also be treated like any other customer complaint.

1.3.3 Branch level Customer Service Committee

Branch Level Customer Service Committees (BLCSC) at the branches shall be constituted, in order to encourage a formal channel of communication between the customers and the Bank. Such committees would also include their customers too. A senior citizen customer may preferably be included therein.

The BLCSC shall meet at least once in a month to study complaints/suggestions, cases of delay, difficulties faced/reported by customers/members of the Committee and evolve ways and means of improving customer services.

The BLCSC shall also submit quarterly reports giving inputs/suggestions to the Designated Team for onward submission to the Standing Committee on Customer Services for their examination.

1.3.4 Nodal Department / Official to handle complaints and grievances

Bank shall have a nodal department/Official for customer service in the Head Office with whom customers with grievances can approach and with whom the Banking Ombudsman and RBI can liaise. Bank would appoint a Senior Executive as Principal Nodal Officer, who will be responsible for the implementation of customer service and complaint handling for the entire bank.

1.3.5 Internal Ombudsman:

In order to boost the quality of customer service and to ensure undivided attention to resolution of customer complaints, the Bank has appointed an Internal Ombudsman. The arrangement of Internal Ombudsman is internal to the Bank and there is no requirement for the complainant to separately access the Internal Ombudsman.

The Internal Ombudsman is an independent authority and is not a KMBL Bank employee. The Internal Ombudsman of the Bank is a retired or serving officer, not below the rank of Deputy General Manager or equivalent of another bank / Financial Sector Regulatory Body, having an experience of minimum seven years of working in areas such as banking, regulation, supervision, payment and settlement systems and/or consumer protection. As per RBI directive, bank will be internally escalating all cases to the Internal

Ombudsman for final decision where either the complaint is being rejected or only partial relief is provided to the complainant. The decision of the Internal Ombudsman will be binding on the Bank.

1.3.6 Escalation to Regulator

Reserve Bank of India – Banking Ombudsman Scheme:

If the customer's complaint is not resolved within the given timeline of one month, or if he is not satisfied with the resolution provided by the Bank, he can approach Banking Ombudsman with his complaint. Details of Banking Ombudsman are already displayed at branches and on Bank's website.

1.4 Mandatory display requirements

It is mandatory for the bank to provide;

- Appropriate arrangement for receiving complaints and suggestions.
- Prominently display at the branches, the names of the officials who can be contacted for redressal of complaints, together with their telephone number, complete address and email address, for proper and timely contact by the customers and for enhancing the effectiveness of the redressal machinery.
- The name, address and contact number of Nodal Officer(s)
- Contact details of Banking Ombudsman of the area
- Code of bank's commitments to customers/Fair Practice code.
- Bank will also display on its website the names and other details of the officials at Head Office/Zonal Office/Regional Office who can be contacted for redressal of complaints including the names of the Nodal Officers/Principal Nodal Officer. Contact details, name, complete address, telephone number and email address of the Nodal Officer/Principal Nodal Officer be displayed on Bank's website.
- Bank shall also display on the website, the names and other details of its CMD/CEO and also Line Functioning Heads for various operations to enable their customers to approach them in case of need, if necessary.
- These details are already made available on the Bank's website www.kotak.com

1.5 Resolution of Grievances

Branch Manager / Unit Heads of processing units / Team Leaders at Customer Experience Centre are responsible for the resolution of complaints/grievances in respect of customer's service by the respective channels. They would be responsible for ensuring closure of all complaints received at the branches. It is their foremost duty to see that the complaint should be resolved completely to the customer's satisfaction and if the customer is not satisfied, then he should be provided with alternate avenues to escalate the issue. If they feel that it is not possible at his level to solve the problem the matter would be escalated to appropriate higher authority as laid down in the internal guidelines. The bank would have in place a system driven escalation process, if the complaint remain unresolved beyond the turnaround time at any particular stage.

Time frame:

Complaint has to be seen in the right perspective because they indirectly reveal a weak spot in the working of the bank. Complaint received should be analyzed from all possible angles. The overall TAT for the Bank is compliant with the timelines prescribed by the Reserve Bank of India. Specific turnaround time would be set up for handling complaints and disposing them at all levels. Each complaint has a specific turnaround time

Every complaint has a specified turnaround time. Customer, at the time of login of complaint, would ordinarily be informed of the same. Apart from this, there would be a Siebel CRM SMS sent to the customer acknowledging the complaint with the exact turnaround time.

The Turnaround time (TAT) for the top few complaint types is as below:

| Top Complaints | TAT in working days |
|---|---------------------|
| Cash Withdrawal Dispute Other Bank ATM | 7 |
| Chq/cash not credited-Doc received | 8 |
| Incorrect/Delay in Processing | 2 |
| Debit Card Dispute Related (Dictated by VISA) | 48 |
| Fraud / Transaction Dispute | 35 |
| Cash Withdrawal Dispute - Kotak ATM | 7 |
| Documents submitted at branch | 1 |
| Non-Fraud Transaction Dispute | 35 |
| Collection Executive Behaviour | 10 |
| Miscommunication | 2 |

1.6 Recording & tracking of complaints:

All the complaints received by the Bank across channels must be recorded and tracked for end-to-end resolution. Any complaints received - either verbally, via email, online web form or in writing - from the customers, will be logged in the Customer Relationship Management system (Siebel CRM) and assigned to respective groups for resolution. KMBL will not only ensure that all the complaints received are recorded and resolved, but also ensure effective control mechanism including appropriate escalation hierarchy is used to track and resolve the same within turnaround time committed. Each channel/Business unit will have a robust internal mechanism to closely track the open complaints and must accord top most priority to resolve customer issues in a timely manner. Communication of 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.

Complaints on credit cards received at the Customer Experience Centre (Telephonically or through online web form) will be captured at the time of customer contact with KMBL and be referred to the appropriate backend unit for necessary resolution as per the committed time lines.

All complaints received by Senior Management at the corporate office or at the Chairman / Managing Director's desks shall be handled end-to-end by a dedicated team under the Service Quality vertical. The team will also look in to Complaints received through the below mentioned channels on priority:

- Reserve Bank of India complaints received at Corporate Office
- Government of India complaints received at Corporate Office
- BCSBI complaints received at Corporate Office
- Consumer Forum complaints received at Corporate Office

Complaints shall be resolved in a proper and time bound manner with detailed resolution to the customer. In case the resolution needs time, an interim response, acknowledging the complaint shall be issued.

Bank will have necessary management information systems to facilitate the top management to review the status of complaints received / resolved.

Bank has four level structure of complaint handling. Level 1-Branch/Customer Experience Centre/Online channel/ Social Media, Level-2-Service Assurance Centre, Level-3- Nodal Officer, Level-4-Principal Nodal Officer.

Below are the 4 levels available for grievance redressal:

Level 1:

KMBL customers have multiple channels to interact and register their grievance. The various channels available are as follows:

1. Customer Experience Centre:

Customers can contact our Phone Banking officers over the phone for resolution of issues. (24x7 Help line: 1860 266 2666)

2. Net Banking / Web form:

Customers can register their concern by logging in through the net banking section available on the website www.kotak.com. Alternatively, they can also use the web form in our website www.kotak.com

3. Branch:

Customer can interact with the branch officials for resolution of their issues or register their grievances through the complaint book available in the branches. The details of branches to be available in the website www.kotak.com

4. Write to us:

Kotak Mahindra Bank Ltd. P.O.Box: 16344, Mumbai – 400013.

5. Social Media

If the customer is not satisfied with the response offered or has not received a response within 7 days, then the customer may choose to refer the matter to Level 2 – Service Assurance Centre.

Level 2:

Customer can raise the concern with Service Assurance Centre by raising it through Online Level 2 web form in our website www.kotak.com

- Service Assurance Centre will acknowledge the customer issue and record in the system
- Bank has a defined turnaround time of 5 working days for a response
- If the customer is not satisfied with the response offered then customer may choose to refer the matter to Level 3

Level 3:**Nodal Officer**

Customer can raise the concern with Nodal Officer using the below channels:

1. Write to:**Nodal Officer.**

Address: Kotak Infinity, 5th floor, Zone II, Bldg. No. 21,
Infinity Park, General AK Vaidya Marg, Malad (E),

Mumbai - 400097

2. Online Web form:

Online Level 3 web form: www.kotak.com

3. Call:

Mon to Fri (10.00 am to 6.00 pm)

Telephone No: As updated in the banks website

- Nodal office at HO will acknowledge the customer issue and record in the system.
- Bank has a defined turnaround time of 5 working days for a response.
- If the customer is not satisfied with the response offered then customer may choose to refer the matter to Level 4 (Principal Nodal officer).

Level 4:

Principal Nodal Officer

Customer can raise the concern with Principal Nodal Officer using the below channels:

1. Write to:

Principal Nodal Officer

Address: Kotak Infinity, 5th floor, Zone II, Bldg. No. 21,
Infinity Park, General AK Vaidya Marg, Malad (E),
Mumbai - 400097

2. Online Web form:

Online Level 4 web form: www.kotak.com

3. Call:

Mon to Fri (10.00 am to 6.00 pm)

Telephone No: As updated in the banks website

- Principal Nodal office will acknowledge the customer issue and record in the System.
- If the grievance is not resolved within a month at the bank level then the customer may choose to refer the matter to Banking Ombudsman. The details of the same is available in our website www.kotak.com in the Grievance Redressal Section.

Internal Ombudsman is the apex level of Grievance Redressal. As per RBI directive KMBL will be internally escalating all cases to the Internal Ombudsman for final decision where, either the complaint is being rejected or only partial relief is provided to the complainant, with the exception being those cases that are specifically excluded as per the RBI directive in this regards. The decision of the Internal Ombudsman will be binding on the Bank. Resolution offered should be expeditiously advised to the customer.

1.7 Interaction with customers

The bank recognizes that customer's expectation/requirement/grievances can be better appreciated through personal interaction with customers by bank's staff. Periodic

customer meets will give a message to the customers that the bank cares for them and values their feedback/suggestions for improvement in customer service. Many of the complaints arise on account of lack of awareness among customers about bank services and such interactions will help the customers appreciate banking services better. As for the bank the feedback from customers would be valuable input for revising its product and services to meet customer requirements. Bank would also facilitate for providing customer feedback on the bank's website.

1.8 Sensitizing operating staff on handling complaints

Staff should be made aware of the complaints handling and properly trained for handling complaints. We are dealing with people and hence difference of opinion and areas of friction can arise. It would be the responsibility of the Principal Nodal Officer/ Nodal Officer to ensure that internal machinery for handling complaints/grievances operates smoothly and efficiently at all levels. The PNO/NO should give feedback on training needs of staff at various levels to the HR Dept.

KMBL Staff managing customers to be trained on complaint management and Grievance Redressal aspect right from initial induction phase. Periodic reinforcements should be done for effective resolution of issues. Training and awareness measures to have the following key objectives:

- Ensure prompt response
- Provide complete resolution
- Ensure retention and business maximization
- Minimize escalations by getting it right first time
- Overall Customer Satisfaction

1.9 Grievance Handling Machinery for services provided by Outsourced Agencies

The Grievance Handling Machinery of the Bank, as stated in para 2 above, will also be available to deal with issues relating to services provided by Outsourced Agencies.

1.10 Analysis and Disclosure of Complaints

The Bank places before the Board, a statement of complaints and its analysis along with the financial results as recommended by the Committee on Procedures and Performance Audit on Public Services (CPPAPS).

Details of Complaints and Awards passed by the Banking Ombudsman needs to be disclosed in the financial statements under Notes to Accounts as per the Master Circular – Disclosure in Financial Statements - Notes to Accounts in the prescribed format.

The complaints are analysed:

- To identify customer service areas in which complaints are frequently received
- To identify frequent sources of complaint
- To identify system deficiencies
- To initiate appropriate action to make the grievance redressal mechanism more effective.

Further, a detailed statement of complaints and its analysis are placed on the website for information of the general public at the end of each financial year.

1.11 Record Keeping

The complaint records are to be maintained for a minimum period of ten years from the date of resolution. The Complaint records to be easily traceable and made available for future reference as per requirements of various stakeholders.

1.12 Customer Feedback

The Bank shall have a structured mechanism to gauge customer satisfaction with the banks services through periodic customer surveys. In addition to the periodic surveys conducted to gauge satisfaction with the transactions, specific surveys shall be conducted to obtain customer feedback on Complaints management. Feedback to be sought from customers at the various channels of interaction to ensure a robust complaint management system.

1.13 Process improvements to enhance customer experience:

The product teams, Service Quality, Service channels and other business units shall ensure that the information on customer complaints is used for necessary process improvement. The objective should be to get to the root cause of the issue and resolve it. It should help the bank improve its processes and lead to efficiency in its operations.