MEGHALAYA RURAL BANK
HEAD OFFICE: SHILLONG

MEGHALAYA
RURAL BANK

COMPLAINT HANDLING POLICY

Version Control

Board Approval Date / Date of Review	Version at start of Review	New Version
Initially approved on 251st Board Meeting dated 03.06.2024	-	v 1.0
Renewed vide 256th Board Meeting dated 05.02.2025	v1.0	v2.0
Renewed vide 262nd Board Meeting dated 04.02.2026	V2.0	v2.1

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1. Introduction

In the present environment of heightened competition and increasing customer awareness, effective complaint handling is central to sustained business growth and institutional credibility. Meghalaya Rural Bank recognizes customer complaints as a critical feedback mechanism and an opportunity to strengthen service quality, operational efficiency, and customer trust.

The Bank is committed to ensuring that customer grievances are addressed promptly, fairly, transparently, and without bias, while safeguarding the Bank's reputation and ensuring compliance with regulatory expectations. Complaint handling shall be guided by principles of natural justice, accountability, and customer-centricity, with structured escalation mechanisms and defined timelines.

2. Objective

The objectives of this policy are to:

- Ensure timely, effective, and fair resolution of customer complaints.
- Comply with RBI guidelines, Banking Ombudsman Scheme, CMS framework, and related regulatory instructions.
- Identify systemic and recurring issues through complaint analysis and enable corrective and preventive actions.
- Enhance customer confidence and satisfaction through transparency and structured grievance redressal.
- Strengthen internal controls, service standards, and risk mitigation.

3. Definition of Complaint

A "complaint" refers to any expression of dissatisfaction, whether oral or written, arising from deficiencies in banking services, products, processes, staff conduct, or regulatory non-compliance.

Complaints may relate to, inter alia:

- Delay or deficiency in service
- Errors in transactions or accounts
- Charges, interest, or fees
- ATM / digital banking issues
- Unauthorized or fraudulent transactions including Electronic banking transactions
- Non-compliance with RBI instructions
- Cross-selling or mis-selling practices
- Any issue adversely affecting customer experience

4. Complaint Handling at Bank Level – Three-Tier Structure

Tier 1: Branch Level Resolution

- Branches serve as the first point of contact.
- Frontline staff and Branch Managers shall resolve complaints within prescribed TAT.
- Complaints unresolved at this level shall be escalated with complete records.

Tier 2: Regional / Office Level Escalation

- Regional Office Customer Service Department
- Decisions shall be reasoned, documented, and communicated to the customer.

Tier 3: Head Office Level Intervention

- Centralised Grievance Redressal Committee (CGRC) shall handle complex, sensitive, or escalated complaints.
- The Bank's Internal Ombudsman shall independently review eligible complaints before closure, in line with RBI directions.

An SOP on the process flow of the Three Tier Complaint Resolution Process with clearly defined TAT (Turn Around Time) must be devised by the bank and put in practice.

5. Registration of Complaint

Complaints may be lodged through:

- Branch visits (Complaints/Suggestion Box/Application/Forms etc)
- Online complaint portal / CMS
- Email
- CGRC vide Direct Link/Icon hosted on Bank Website's homepage with specific option to report unauthorized electronic transactions. (Multiple channels vis-à-vis phone banking, SMS, IVR, a dedicated toll-free helpline number etc may also be deployed by the bank to provide 24X7 access to customer for Registering Complaint)
- CPGRAMS / PMO portals

Each complaint shall be:

- Acknowledged within 24 hours

- Assigned a unique reference number
- Recorded in the centralized complaint management system

6. Closure of Complaint

Complaints shall be closed only after:

- Proper investigation and resolution
- Communication of resolution to the customer
- Customer acceptance or exhaustion of escalation avenues

Written confirmation of closure shall be provided, and feedback may be obtained for service improvement.

7. Chief Customer Service Officer (CCSO) / Internal Ombudsman

In compliance with RBI instructions applicable to RRBs:

- The Bank shall have an Internal Ombudsman (IO) mechanism.
- The IO shall independently review complaints before final rejection.
- The IO shall report directly to the Managing Director / Board-level committee.

8. Banking Ombudsman

Customers retain the right to approach the RBI Banking Ombudsman under the Banking Ombudsman Scheme, 2021 (as amended).

- Eligibility, jurisdiction, and appeal provisions shall apply as per RBI norms.
- The Bank shall ensure time-bound and reasoned responses to Ombudsman references.

9. Cyber Crime

The Bank shall follow RBI and CERT-In guidelines for handling cyber-related complaints, including:

- Immediate acknowledgment
- Incident assessment and risk containment
- Coordination with law enforcement agencies
- Customer communication and support
- Reporting to CERT-In, RBI, and other authorities as applicable

10. Consumer Protection and Compensation

When facing issues with an MRB, customers have various avenues for seeking protection and compensation.

Here's a breakdown of available options:

Internal Mechanisms:

Internal Grievance Redressal Mechanism: Every RRB has an internal grievance redressal mechanism to resolve customer complaints efficiently. Customers can raise concerns through written complaints, online portals etc.

Branch Manager/Customer Care: In simpler cases, directly approaching the branch manager.

In addition RBI Circular vide RBI/2017-18/15.DBR.No.Leg.BC.78/09.07.005/2017-18 dated 06.07.2017 on " Customer Protection-Limiting Liability of Customers in Unauthorised Electronic Banking Transactions" shall be applicable to the Bank and must be incorporated in the Compensation Policy of the Bank.

External Forums:

- RBI-IOS Scheme 2021
- CPGRAMS/PMO Complaints
- Any Other as applicable to banks

Compensation shall be considered based on the Compensation Policy of the Bank

11. BC Services

Business Correspondents shall:

- Adhere to the Bank's complaint handling framework
- Assist customers in lodging complaints
- Escalate unresolved issues promptly
- Maintain dignity, transparency, and accuracy in customer interactions

12. Cross-Selling Services

Complaints relating to cross-selling shall be handled with emphasis on:

- Suitability
- Informed consent
- Absence of coercion or misrepresentation
- Compliance with RBI Fair Practices Code

13. Customer Redressal Procedure

Customers may escalate complaints if dissatisfied with:

- Resolution

- Delay
- Closure without redressal

The Bank shall ensure:

- Clear escalation matrix
- Defined TATs
- Reasoned communication

14. Complaint Received through CPGRAMS / PMO

Complaints received through CPGRAMS / PMO shall be:

- Acknowledged within stipulated timelines of 24 hours
- Investigated comprehensively
- Responded with clarity, evidence, and accountability within 21 days, with mandatory interim reply if delayed.

15. Sub-Committee of Board – Customer Service Committee

The Sub-Committee shall:

- Review complaint trends and systemic issues
- Monitor effectiveness of grievance redressal
- Recommend policy and process improvements
- Report periodically to the Board

16. Record of Complaints

The Bank shall maintain:

- Complete and accurate complaint records

- Centralized tracking and MIS
- Audit trail for inspections and regulatory review
- Data protection compliance

17. TAT for Complaint Resolution

The Bank shall maintain TAT (Turn Around Time) broadly on the guidelines of RBI-IOS 2021 Scheme/CPGRAMS/PMO as applicable. For Complaints relating to "Unauthorised Electronic Banking Transaction" the bank will follow the instructions/guidelines of RBI vide ***RBI Circular vide RBI/2017-18/15.DBR.No.Leg.BC.78/09.07.005/2017-18 dated 06.07.2017 on " Customer Protection-Limiting Liability of Customers in Unauthorised Electronic Banking Transactions.***

18. Archival of Complaints

Maintaining an efficient and secure archive of customer complaints is crucial for Regional Rural Banks (RRBs).It allows them to track trends, analyze issue patterns, improve service quality, and meet regulatory requirements. Here's an overview of the typical archival process:

Complaint Categorization and Classification:

Upon resolution, complaints are categorized and classified based on various criteria, such as:

Type of complaint: Loan & Advances , Deposits, Services, Online Banking Channel, etc.

Severity: High, Medium, Low, depending on the impact on the customer and reputational risk of the bank.

Branch/Department involved: Helps identify areas with recurring issues.

Data Preparation and Digitization:

All relevant complaint information is prepared for archival, including:

- Complaint details (nature, date, customer information)
- Investigation and resolution documents.
- Communication records with the customer.
- Supporting evidence (screenshots, statements, etc.).

- Physical documents are scanned and converted into digital formats like PDFs or JPEGs.
- All data is indexed with keywords and metadata for easy retrieval.

19. Exclusion from the provisions of the Policy

While Meghalaya Rural Bank endeavours to address customer complaints in a fair, transparent, and time-bound manner, certain categories of representations may not ordinarily fall within the scope of this Policy.

The following, by way of illustration and not limitation, may be excluded:

Frivolous or Vexatious Complaints:

Complaints which are repetitive in nature, lacking material particulars, unsupported by relevant facts or documentation, or which appear to be vexatious, malicious, or intended to harass the Bank, may not be taken up for redressal under this Policy.

Matters Sub Judice:

Complaints pertaining to issues that are pending adjudication before any court, tribunal, arbitrator, or other judicial or quasi-judicial authority shall ordinarily be excluded from the grievance redressal mechanism under this Policy.

Where a customer has initiated legal proceedings against the Bank in respect of the same subject matter, the Bank may, at its discretion, await the outcome of such proceedings before considering any representation under its internal complaint redressal framework.

Commercial Disputes (Outside the Scope of Customer Complaint Policy):

Disputes that arise out of commercial transactions between the Regional Rural Bank (RRB) and a business entity are generally not covered under the Bank's Customer Complaint Policy.

Such matters are ordinarily governed by contractual terms, tender conditions, or applicable commercial arrangements and are expected to be addressed through the mechanisms already provided therein, including internal review, mutual discussion, dispute resolution clauses, or recourse to appropriate legal forums, as may be applicable.

By way of illustration, disputes may include, but are not limited to:

- Disagreements raised by a company, vendor, or service provider in relation to the terms and conditions of agreements, tenders, or contracts;
- Issues or representations pertaining to trade finance or other commercial banking products offered to business entities, where the relationship is contractual in nature.

For the purpose of this Policy, the term "business entity" shall include:

- Third-party vendors, service providers, or suppliers engaged by the Bank for providing goods or services; and

- Bidders or prospective vendors participating in procurement processes, including those related to GeM (Government e-Marketplace) products or services.

Accordingly, such matters may be processed through the relevant contractual, procurement, or legal procedures already in place, and do not ordinarily fall within the scope of customer grievance redressal mechanisms of the Bank.

MEGHALAYA RURAL BANK

CENTRALIZED GRIEVANCE REDRESSAL CELL (CGRC)

Customer Service Committee of the Board
Chairman
GENERAL MANAGER : Head- CGRC (CENTRALIZED GRIEVANCE REDRESSAL CELL)

Complaint Intake & Registration	**Investigation & Resolution Unit****	**MIS & Compliance Monitoring Unit (Internal Ombudsman)**
• Branches • Regional Offices/other Administrative Offices *(Complaints may be via Written/E-mail/Bank's Website etc)*	• Deposits & CASA • Loans • Digital & Payments • KYC/Service Related Issues • Any Other/Misc • Branch Co-ordination	• MIS • Compliance • Closure/Resolution • Communication Handling

PROCESS FLOW

BRANCHES/ANY OTHER OFFICE to acknowledge the Complaint, either received through letters/forms, in T+0 days (in writing or otherwise) and either allot a Unique Reference Number (eg: MRB/CGRC/CC/01/2025-26-01-01-2026) or input the Complaint in Grievance Redressal Portal to generate a Unique Reference Number (whenever applicable) and shall endeavor to provide Resolution to the Complainant within 07 days failing which the complaint will be escalated to respective RO (with reasons in writing) invariably.

REGIONAL OFFICES /ADMINSITRATIVE OFFICES to acknowledge the Complaint (in writing or otherwise) forwarded from Branches within T+2 days from the date of receipt of Complaint. The ROs/AOs will within 07 days from the date of receipt of Complaint will either provide resolution and communicate it to the branch (with or without advice) or will forward the same to CGRC in case of inability to provide the resolution.

CGRC (CENTRALIZED GRIEVANCE REDRESSAL CELL) to acknowledge the Complaint (in writing or otherwise) in T+0 days after receiving it from Regional Offices/Other Administrative Offices/ e-mails/website/other sources etc and forward it to the responsible Investigation & Resolution Unit** within T+0 days.

INVESTIGATION & RESOLUTION UNIT** will acknowledge the Complaint (in writing or otherwise) in T+0 days and after proper investigation of the Complaint will either recommend or not recommend resolution(with reasons thereof) within 10 days and communicate the same to CGRC with complete details.

RESOLUTION

CGRC will review the recommendation of the INVESTIGATION & RESOLUTION UNIT** and will advise the INVESTIGATION & RESOLUTION UNIT** to either effect (this includes but not limited to reversal of charges, interests, fees etc, compensation, other operational duties to be performed by the Unit under their scope of work) or not effect resolution as per the applicability and with reasons thereof.)

CGRC will then communicate the decision to the Complainant Directly via e-mail/letter(personal or through Branches etc) /Other Channels etc available. CRGC to maintain an MIS of the same.

CGRC Head to act as Internal Ombudsman (IO) which as per definition is Principal Nodal Officer as per RBI-IOS 2021.

The entire process takes below 30 days which is the mandate of RBI under RBI-IOS 2021. After 30 days the RBI Ombudsman Channel becomes available for the Complainant.

The Structure does not contain CPGRAMS/PMO and Banking Ombudsman Complaint which has their own established mechanism. However the status of CPGRAMS/PMO and Banking Ombudsman Complaint must invariably be provided to the CGRC with applicable TAT (Turn Around Time) including the date of receipt of such complaint(s).

REQUIREMENTS

1. Creation of a dedicated CGRC e-mail ID for the CRGC (Centralized Grievance Redressal Cell) for the head of the Cell to accept and manage complaint related t communication centrally for the bank. (in cases wherein the complaints are lodged by customers electronically or through the website of the bank).
2. Creation of a dedicated MIS/Portal to access and monitor the status of Complaints at bank level at any given point of time and also for Regulatory/Statutory/Supervisory Reporting.
3. Creation of a Direct link/icon prominently displayed on the home page of bank's website to lodge a complaint (which will be routed to the e-mail ID of the CRGC Cell).
4. Nodal Officer & Principal Nodal Officer's details like Name, Complete Office Address, Contact Number, e-mail address etc must be displayed at the Branches/ROs/Head Office etc and home page of bank's website as per RBI-IOS 2021.

***** INVESTIGATION & RESOLUTION UNIT: Head Office Departments/Other Administrative Units/Assets Management Hubs/ RSETI etc***