

NPCI/2017-18/NACH/Circular No. 248

September 29, 2017

To

GM/SVP/Head

All the member banks

Sub: Grievance redressal mechanism to handle complaints on ACH mandate registration and transaction processing

The mandate registration and the number of transactions processed are gaining currency by the day. With the growing volume there is a possibility of customer grievances. The grievances may be related to

1. Registration / rejection of mandates
2. Debit / return of transaction in the customer account

It has been brought to our notice that many banks do not have the necessary structure in place to address the queries / complaints of the customers. As many banks follow centralized processing the branches are not having the information of mandate registration / rejection or transaction debit / return. As a result the branches are not able to respond to the customer issues. The customers are not made aware of the channels that can be used to raise their grievances for redressal.

All the member banks are advised to take the following steps immediately

1. Set up necessary structure in place to address the queries and complaints of the customers.
2. The branches should be made aware of the process followed internally for mandate and transaction processing.
3. It is suggested that the banks should have in place internal workflow for the branch to pass on the customer query/complaint to the central processing unit through an application / utility for their response.



4. There should be timelines for providing response to the queries / complaints. There should be strict monitoring of the responses to the queries / complaints and the branches should be provided with escalation matrix.
5. The customer grievance cell should be monitor the pending grievances and take steps to ensure all the queries are addressed in time.

As detailed in our Circular No. 161 dated June 06, 2016 all the banks should send SMS to the customer both on registration of mandate as well as rejection of the mandate (with reason for such rejection) this will help in pre-empting customer queries / complaints. Also in case of incorrect registration of any mandate the customer can reach out to his branch for necessary action.

All the banks are advised to take immediate measures, as detailed above, for redressal of customer grievances relating to mandate management.

With warm regards,



(Giridhar G M)
VP - NACH & CTS Operations