



Customer Grievance Redressal Mechanism (CGRM) Policy

CUSTOMER GRIEVANCES REDRESSAL MECHANISM (CGRM) POLICY

The main objective of Repco Micro Finance Limited (RMFL) is to assist the poor women for their upliftment and help them build and manage their sustainable livelihoods. RMFL believes that customer is the central point of its activities and providing efficient customer service is essential not only to increase its outreach to newer clients, but also to retain existing clients for sustained business growth.

Customer Grievance Redressal Mechanism (CGRM) is recognized as an important tool to make a stronger connect with customers to address their queries, concerns and complaints and get insights into their needs, requirements and expectations.

The Fair Practice Code of RBI, as outlined in its Master Direction-NBFC- Systemically Important Non-Deposit taking Company and Deposit taking Company- PD.008 / 03.10.119 / 2016-17 dt 01.09.2016 (updated as on 17.02.2020), mandates the Board of the Company to lay down an appropriate grievance redressal mechanism within the organization and to review its functioning periodically.

Further in reference to CEPD/PRS.No.4535/13.01.004/2018-19 dt 26.04.2019 notification, RBI has extended the Ombudsman Scheme to non-deposit taking Companies and as per this RMFL shall ensure that the purpose of the Scheme and the contact details of the Ombudsman to whom the complaints are to be made by the aggrieved party are displayed prominently in all the offices and branches, in such manner that a person visiting the office or branch has adequate information of the Scheme.

The basic objective of the CGRM is to put in place a convenient, simple, transparent and effective system for speedy and efficient resolution of individual customer complaints and minimise instances of customer dissatisfactions.

This CGRM policy is based on the client protection principles that

- (i) the Company will treat all the complaints efficiently and fairly as they can otherwise damage the Company's reputation;
- (ii) Complaints raised by the clients must be dealt with courtesy and in time;
- (iii) All clients are fully informed of the avenues to escalate their complaints and
- (iv) the employees will work in good faith and without prejudice to the interests of the client.

This CGRM Policy framework broadly consists of the following:

Employee Orientation: Since customers greatly rely on employees to make use of our CGRM, the company will take steps to ensure that employees are sensitized about supporting the customers on different issues, which customers might face and hence, should be equipped with adequate information about CGRM. Components of CGRM and assessment of employee's knowledge on CGRM shall be included in the employees training modules (induction or refresher) to ensure that they shall be made broadly aware of the CGRM policy, responsibilities of different employees thereunder and acceptable Turn Around time (TAT) to resolve the various types of complaints. Parameters on CGRM will also be factored in the employee's performance appraisal, which will ensure that employees handle the customer issues with utmost care and as per the Company policy.

Customer Facilitation- Customer facilitation on CGRM through the following aspects is to ensure that customer knows and trusts CGRM of the Company and has fair and easy access to it.

Multiple channels- Customers will be provided with multiple channels to access to CGRM such as – complaints/suggestion drop-box at all our branches/ offices, Company's email addresses / landline numbers / postal addresses and contact address of Regional Office of RBI.

Training – Periodically, customers' understanding of the CGRM will be assessed and they will be made aware of our CGRM in-group meetings, in SHG/JLG orientation trainings, etc. The awareness about the CGRM shall be imparted throughout the customer life cycle.

Displays and Disclosure- The repeated displays and disclosures should serve the purpose of highlighting to the customers, the grievance redressal mechanism followed by the Company, together with details of the name and contact details of Company's Grievance Redressal Officer (GRO) and the Regional office of RBI. Hence, apart from oral disclosures (through trainings, employee interactions etc) and other company-level disclosures required by the law or other regulatory provisions like Annual Financial Report etc, the Company will disclose/display the following. -

1.1.1.1. In Company's Website

i	Fair Practices Code (FPC) of the Company which is aligned with RBI's FPC.
ii	The effective rate of interest charged.

iii	Customer Grievance Redressal Mechanism (CGRM) of the company including (i) Channels available to customers at the Company level to register complaints, (ii) Escalation process including complaints to RBI, (iii) Expected Turn Around time at every level of escalation, (iv) Name and Contact details of Company's Grievance Redressal Officer at HO and (v) Contact details of DNBS, Regional RBI Office (where Company is registered) to escalate complaints.
iv	Details of all loan products offered under annualised interest rate on a reducing balance basis, processing fees, tenure, repayment frequency, purpose etc.
v	Ombudsman Scheme

1.1.1.2. In Company's Branch and Head Office- The disclosure / display will include the following in addition to the ones stated above for website.

i	Commitment to transparency and fair lending practices.
ii	Client Protection Code in the local language.
iii	Pricing of loan involves only three components viz; interest charge, processing charge and insurance premium if any (which includes, administrative charges in respect thereof).
iv	The contact details of the Ombudsman to whom the complaints are to be made by the aggrieved party and the contact details of the designated officer with whom the Ombudsman Scheme is available

1.1.1.3. In Loan Application

i	Necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other MFIs can be made and informed decision can be taken by the borrower.
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ii	Documents required to be submitted with the application form including list of KYC documents to be submitted by customers.
iii	Acknowledgement for receipt of all loan applications including the time frame within which loan applications will be disposed of.

1.1.1.4. In Loan Agreement

i	Amount of loan sanctioned, annualised rate of interest on a reducing balance basis and all the terms and conditions of the loan.
ii	Give notice to the borrower in the vernacular language of any change in the terms and conditions including disbursement schedule, interest rates, service charges, etc. A suitable condition that changes in interest rates and charges are affected only prospectively.
iii	Pricing of the loan involves only three components viz; the interest charge, the processing charge and the insurance premium if any (which includes the administrative charges in respect thereof).
iv	There will be no penalty charged on delayed payment and no security deposit / margin is being collected from the borrower.
v	Borrower cannot be a member of more than one SHG / JLG.
vi	The moratorium period between the grant of the loan and the due date of the repayment of the first instalment (as per RBI's Master Directions).
vii	Privacy of customer data will be respected and that no customer data will be shared with any third party without taking customer's consent unless required under legal / Statutory regulations etc.
viii	Company is accountable for preventing inappropriate employee behaviour and timely grievance redressal.
ix	Commitment to transparency and fair lending practices as per RBI.

1.1.1.5. In Loan Card

i	Commitment to transparency and fair lending practices as per RBI.
ii	The effective rate of interest charged and all the major terms and conditions of the loan.
iii	Information, which adequately identifies the borrower.
iv	Acknowledgement of all repayments including instalments received and the final discharge.
v	No security deposit / margin/ other charges are collected from the customer by itself or by third parties as a condition to avail the loan.
vi	Pricing of the loan involves only three components viz; the interest charge, the processing charge and the insurance premium if any (which includes the administrative charges in respect thereof).
vii	No penalty is charged on delayed payment.
viii	Prominently mention the grievance redressal system set up by the Company, the name/contact details of its Grievance Redressal Officer and the Branch Manager and Regional Manager.
ix	Contact details of DNBS, Regional RBI Office (where company is registered)to escalate complaints.

Compliant Escalation:

RMFL is committed to observing fair practices in all its business transactions and dealings with customers with utmost transparency and ethical standards. In case of any complaints /grievances the customers can make use of the following Grievances Redressal Mechanism set up by the Company, within the organisation as per escalation matrix mentioned below:

Level 1: In case of a grievance, the customer can approach the Branch Manager (BM) and discuss the complaint/grievance issue. The contact number of the BM / field level staffs are displayed in the branch. The BM shall resolve the complaint/grievance within 5 working days from the date of receipt of the complaint.

Level 2: If the customer is not satisfied with the response received at the branch level or does not receive a response, customer can write or contact:

Whole Time Director

Grievances Redressal officer (“GRO”)

Repco Micro Finance Limited,

No. 634, 2nd Floor, Karumuttu Centre, Anna Salai, Nandanam,

Chennai – 600 035. Tel no. 044-24310212 Email ID: insp@repcomicrofin.co.in; vigilance@repcomicrofin.co.in; and grievance@repcomicrofin.co.in;

Customer shall receive an acknowledgement within 2 working days from the date of receipt of complaint. The complaint will be handled as per guidelines in this policy and the grievances will be resolved within 10 working days from the date of receipt of the issue/complaint matter by the GRO.

Level 3: If a customer is not satisfied with the response received from GRO or Branch or does not receive any response from GRO or branch within 30 working days, the customer can contact or write to the following officer of RBI. Format of Complaint to be lodged with NBFC Ombudsman is given as Annexure-I

General Manager

Department of Non-Banking supervision (DNBS),

Reserve Bank of India,

Fort Glacis, Rajaji Salai, Chennai – 600 001.

Ph no. 044-25393406, Fax no. 044-25393797, Email D: ssmnbfc2che@rbi.org.in

Governance Structure:

At Branch level:

Branches are the first level of customer interactions. The Branch Manager (BM) will be the branch-level Nodal Officer for Customer Grievance Redressal. The BM will proactively assist the customers who wish to submit their complaints / suggestions and record the same in a serially numbered Complaint Book (with duplicate perforated copies as per format in Annexure-II) available with the BM who will hand over to the complainant then and there a copy of the serially numbered complaint as an acknowledgement. The keys of the drop-box for complaints / suggestions in a branch will be available with the BM. This box will have glass frontage so that any sheet of paper with complaint / suggestion inside the box can be seen from outside and retrieved by the BM at the end of the day. The BM will open the drop-box at the end of the day and record the complaint / suggestion received, in the Complaint Book. If any complaint is received through postal / courier, the same shall also be recorded in the Complaint Book.

The Branch Manager (BM) will record the complaints in the branch level Complaint Disposal Register as per format in Annexure-III. BM will peruse the complaint, initiate resolution, if possible at his / her end, email brief detail of the complaint to insp@repcomicrofin.co.in; vigilance@repcomicrofin.co.in and grievance@repcomicrofin.co.in; within three working days of the complaint received. If resolved, the BM will inform the complainant (within 5 working days of the complaint) about the resolution and email the same immediately to Grievance Redressal Officer (GRO), HO. If not resolved at his / her end, the BM will pursue with GRO, HO for resolution of the same. Each BM will submit as per Annexure-IV, to GRO a monthly statement, within the first-week of the succeeding month, of customer complaint resolution status stating the no of complaints registered or nil report in case no complaint is received.

There will be a branch level Customer Service Committee (CSC) consisting of the Branch Manager and one client from at least three group of the branch which shall be convened once in a quarter. It will be held in the branch premises on a date convenient to all the members of the committee, which shall be decided at least two weeks in advance. It is desirable that the Divisional Heads- Inspection in the respective region also attends this meeting as an invitee. During this meeting, discussions shall be held regarding complaints / suggestions received from customers, steps taken to resolve the same and other related matters. The minutes of the meeting will be recorded as per the format in Annexure-V and copy submitted to the GRO within one week of the meeting. All BMs will submit the report on the quarterly CSC meetings of all branches under his / her control and send the same to GRO, Head Office (HO) within 10 days of end of each quarter as per the format in Annexure- VI. Separate monthly reporting by BM is not needed for the month when the quarterly CSC meeting is held / reported.

At HO level:

If the customer is not satisfied with the response from branch level or if the customer don't receive a response within 5 working days, please call or write to the Grievance Redressal Officer. The Customer will receive a response within 5 working days from the receipt of the compliant by the Grievance Redressal Officer as mentioned in level-2 detailed above.

Grievance Redressal Committee

There will be a Grievance Redressal Committee (GRC) at Head Office with following officers.

1. Whole Time Director – (GRO)
2. Company Secretary
3. AGM-Vigilance & Risk Management Division.

This committee will meet at least once in a quarter and will be chaired by the GRO.

The committee will peruse the individual complaints received and processed during the quarter. A statement consolidating quarterly customer service committees reporting to GRO shall also be placed to the committee. The committee will

- (i) evaluate complaints received channel-wise / category-wise and the redressal process during last quarter;
- (ii) peruse the feedback on the quality of customer service received from various quarters;
- (iii) ensure that all regulatory guidelines regarding customer service are adhered to;
- (iv) review the initiatives and measures taken by the Company for improving customer service. The summary of the minutes of the committee will be placed to the Board every quarter.

At Board level:

The Board of the Company will examine issues having a bearing on the quality of customer service rendered. Board will also review the report and functioning of the Grievance Redressal mechanism listed in level-1 & 2 at HO and Customer Service Committees at Branches and operation of the Company's Customer Grievance Redressals Mechanism (CGRM) during the last quarter.

Complaints Processing

An effective and efficient complaint processing system with the following steps ensures that customer complaints are resolved timely as per Company's policy and to the customers' satisfaction.

Registration of the complaints and acknowledgement: The Grievance Redressal Officer(GRO) at HO will ensure that customer complaints are centrally recorded at HO, branch wise in excel format, capturing date of complaint, complaint serial registration no, customers details (name, identification number, address, mobile/phone no), category of complaint, brief details of the complaint, official to whom it is assigned for resolution, action taken, status of complaint, date of calling back the complainant to know whether he/she was satisfied with the resolution and her feedback, date of closure, actual turnaround time (TAT), appeal by the customer, if any etc. As soon as it is registered, the customer should be given an acknowledgment with the complaint serial registration no as the reference number along with expected timeframe within which the complaint will be resolved. Additionally, the employee registering the complaint will provide the

complainant details of next escalation level available in case the complaint is not resolved to the satisfaction of the complainant.

Categorization of complaints and Tracking of resolution status: To synchronise Company's quarterly SRO reporting on CGRM to Sa-dhan, all in-bound calls / communications are broadly categorised into

(A1) Queries,

(A2) Service Requests and

(A3) Complaints.

Complaints are further categorized into

(B1) Interest Rates,

(B2) Excessive Charges,

(B3) Recovery Practices,

(B4) Digital Transactions,

(B5) Updation of Repayment Records,

(B6) Updation / Dispute on data in Credit Information Report CIR),

(B7) Fraud by Employees,

(B8) Fraud by External Agencies and

(B9) Others.

Against each of these in-bound calls/ communications, the designation of the official concerned to whom it is to be escalated for resolution is as stated in Annexure-VII. The Board approved internal benchmark of Turn Around Time (TAT) in no of days are also set. Each complaint is also assigned a serial complaint number in the master complaint disposal register at HO for easy tracking of resolution status.

Capturing customer feedback and Closure of Complaint: After the official concerned has resolved a complaint, CGRM team will call back the customer to take his / her feedback and satisfaction with the resolution and then close the complaint. If the complainant is not satisfied with the resolution, the GRO at HO will relook into the issue and record his comments in each case which will be communicated to the complainant again. In case customer is still not satisfied, the escalation of the customer complaint will be facilitated.

Complaint Monitoring and Reporting: Monitoring and Reporting have three parts, namely analysis, audit and reporting. A proactive monitoring mechanism also acts as an early warning mechanism to identify and address any emerging issue that may warrant quick redressal.

Analysis: The Grievance Redressal Officer (GRO) at HO is responsible to aggregate data of all the complaints received through different channels and analyse them for trends based on nature / cause of complaints, origin (branch, location), product, category etc. Analysis of customer complaints can give rich information about the operational gaps, reasons of customer dissatisfaction and awareness level about Company's CGRM amongst the customers / employees.

Audit Report: To improve efficacy of the CGRM, the company will have audit of the CGRM conducted by the inspection department of the Company. Such audit will cover all elements related to CGRM such as adherence to policy, employee awareness of CGRM, customer's orientation on CGRM (trainings, disclosure, awareness) and processing of complaints. In processing of complaints, audit should check if all complaints are appropriately registered, handled and resolved, adherence to TAT, degree of satisfaction with the resolution provided as reported by customers and flag the lapses.

Reporting: The Grievance Redressal Officer (GRO) at HO will place the above said analysis to the Board of director for review. The Board will review the CGRM analysis and audit reports and based on this information will consider providing necessary directions as required.

Commencement & Review: This policy will come into effect immediately and the Board will review the CGRM Policy on an annual basis.

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

To:

The NBFC Ombudsman

Place of office of the NBFC Ombudsman

Dear Sir,

Sub: Complaint against (Name of the NBFC branch)
of(Name of the NBFC)

Details of the complaint are as under:

1. Name of the Complainant

2. Full Address of the Complainant

.....

.....

Pin Code

Phone No/ Fax No.

Email

3. Complaint against (Name and full Address of the branch & NBFC)

.....

Pin Code

Phone No. / Fax No.

Email

4. Particulars of NBFC Account (If any)

.....

(Please state the number and the nature of account viz. deposit/ loan account etc. related to the

subject matter of the complaint being made.)

5. (a) Date of representation already made by the complainant to the NBFC

(Please enclose a copy of the representation)

(b) Whether any reminder was sent by the complainant? YES/NO
(Please enclose a copy of the reminder)

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

.....
.....

7. Details of the complaint:
(*If space is not sufficient, please enclose separate sheet*)

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

8. Whether any reply (Within a period of one month after the NBFC concerned received the representation) has been received from the NBFC? Yes/ No
(if yes, please enclose a copy of the reply)

9. Nature of Relief sought from the NBFC Ombudsman

.....
(Please enclose a copy of documentary proof, if any, in support of your claim)

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

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

12. Declaration:

(i) I/ We, the complainant/s herein declare that:

a) the information furnished herein above is true and correct; and

b) I/ We have not concealed or misrepresented any fact stated in the above columns and in the documents submitted herewith.

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

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

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

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

(vi) I/ We have noted the contents of the Ombudsman Scheme for NBFCs, 2018
Yours faithfully,

(Signature of Complainant)

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

I/We the above named complainant/s hereby nominate Shri/ Smt..... who is not an Advocate and whose address is as my/our REPRESENTATIVE in all proceedings of this complaint and confirm that any statement, acceptance or rejection made by him/her shall be binding on me/ us. He/ She has signed below in my presence.

ACCEPTED

(Signature of Representative)

(Signature of Complainant)

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

Branch _____ Complaint Book

Complainant's Details

Name: Member ID:

Group Name:

Village Name:

District:

Brief Details of the Complaint

Date: **Signature of Complainant**

Acknowledgement to Complainant to be issued immediately on receipt of complaint

Received the above complaint. The expected resolution time is ____ days.

Branch: Date: Signature of BM

BM's Report (report to be sent on registering of complaint)

This complaint has been emailed to HO email ID- insp@repcomicrofin.co.in; vigilance@repcomicrofin.co.in; We are looking into the complaint for resolution at Branch level.

OR

This complaint has been reported to HO/Dept. vide ticket number ____date__ and copy marked to HO email ID insp@repcomicrofin.co.in; vigilance@repcomicrofin.co.in;

Branch: Date: Signature of BM

BM's Complaint Resolution Report

(to be recorded below and emailed to insp@repcomicrofin.co.in; vigilance@repcomicrofin.co.in; on redressal of complaint)

Annexure-III

FORMAT OF COMPLAINT DISPOSAL REGISTER AT BRANCH & HEAD OFFICE

Complaint no	Date of complaint	Customer name	Customer ID - no.	Customer address
1	2	3	4	5

Customer contact no	Category of complaint	Brief Details of complaint	Action taken	Status of complaint
6	7	8	9	10

Date of out bound call informing the customer about the resolution	Is the customer satisfied with our redressal decision	Date of complaint closure	Actual Turnaround time	Further appeal by customer, if any.
11	12	13	14	15

Monthly Complaint Resolution Status report of Branch to GRO

FOR THE MONTH OF _____

Branch Name: _____ Region: _____

1. No of complaints outstanding unresolved at the beginning of the month _____
2. No of complaints registered during the month _____
3. No of complaints closed during the month _____
4. No of complaints open/unresolved at the end of the month _____ (along with details of open complaints as per branch complaint register)

➤ 15 days		➤ 30 days		➤ 45 days	

Branch Manager

Minutes of Branch level Quarterly Customer Service Committee Meeting

FOR THE QUARTER ENDED ___ Date of Meeting: ____

Branch Name: _____ Region: _____

Names & Designation of RMFL Officials/ Names of Groups of Members Present:

- | | |
|-----|-----|
| 1. | 2. |
| 3. | 4. |
| 5. | 6. |
| 7. | 8. |
| 9. | 10. |
| 11. | 12. |

1. No of complaints outstanding unresolved at the beginning of the month _____
2. No of complaints registered during the month _____
3. No of complaints closed during the month _____
4. No of complaints open/unresolved at the end of the month _____ (along with details of open complaints as per branch complaint register)

➤ 15 days		➤ 30 days		➤ 45 days	

5. Brief report on the other related discussion:

Date: _____ Branch Manager

Report on Quarterly Customer Service Committee Meeting

FOR THE QUARTER ENDED _____ Region: _____

1. No of complaints outstanding unresolved at the beginning of the Qtr. _____
2. No of complaints registered during the Quarter _____
3. No of complaints closed during the Quarter ____
4. No of complaints open/unresolved at the end of the Quarter_ (along with details of open complaints as per branch complaint register)

➤ 15 days		➤ 30 days		➤ 45 days	

5.

Name of Branch	Brief report on the other related discussion	Observations of BM

6. Reasons for any branch not conducting the Quarterly CSC meeting, if any, and the action taken thereon:

Date: _____ Branch Manager

Annexure-VII**INTERNAL ESCALATION AND TURN AROUND TIME**

Sl No	Category of in-bound calls / communications	Official to whom it is to be escalated for resolution	Internal Benchmark TAT (No of Days)
A1	Queries	BM/HOD of HO Concerned	3 days
A2	Service Requests	BM/HOD of HO Concerned	15 days
A3	Complaints	BM/HOD of HO Concerned	15 days
B1	Interest Rates	HOD of HO Concerned	15 days
B2	Excessive Charges	HOD of HO Concerned	15 days
B3	Recovery Practices	BM/HOD of HO Concerned	15 days
B4	Digital Transactions	BM/HOD of HO Concerned	15 days
B5	Updation of Repayment Records	BM/HOD of HO Concerned	15 days
B6	Updation / Dispute on data in Credit Information Report (CIR)	IT Dept at HO	30 days
B7	Fraud by Employees	Business Head	15 days
B8	Fraud by External Agencies	Business Head	30 days
B9	Others	Depending upon the type	15 days

Approved by the Board in the meeting held on 04 August, 2021