



GRIEVANCE REDRESSAL POLICY

OF

SUBHLAKSHMI FINANCE PRIVATE LIMITED

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1. INTRODUCTION

Subhlakshmi Finance Private Limited is a Non-Banking Financial Company registered with the Reserve Bank of India (RBI).

As per extant guidelines of RBI, all NBFCs should ensure that a suitable mechanism exists for receiving and addressing complaints from its customers / constituents with specific emphasis on resolving such complaints fairly and expeditiously regardless of source of the complaints.

The company is engaged in the business of offering loans to customers. In order to address customer grievances while servicing customers, the Company formulates a suitable mechanism to address such requirements.

- **Brief description of the Policy**

The policy framework lays down requirements related to aspects of principle of grievance redressal, registration of complaints, escalation of complaints, resolution of complaints, periodic review of records.

- **Regulatory Requirements**

The Reserve Bank vide its circular dated September 28, 2016, issued guidelines on Fair Practices Code (FPC) to be adopted by all NBFCs while doing lending business and to formulate a Customer Grievance Redressal Policy as duly approved by the Board. Such a mechanism ensures that all disputes arising out of the decisions of lending institution's functionaries are heard and disposed of at least at the next higher level.

- **Grievance Assessment**

The policy stipulates the requirements related to registration of complaints, escalation of complaints, and resolution of complaints and periodic review of grievances redressal process.

- **Policy Review**

The Board shall review grievance redressal policy on annual basis or at earlier intervals, in case of any regulatory changes necessitating such interim reviews.

- **Objective**

The objective of the Grievance Redressal policy of the Company is to ensure fair and equal treatment to all its customers without any bias -irrespective of caste, creed, race, gender, special abilities – on all occasions

- ✓ The resolution of grievances is within defined Turn Around Time (TAT)

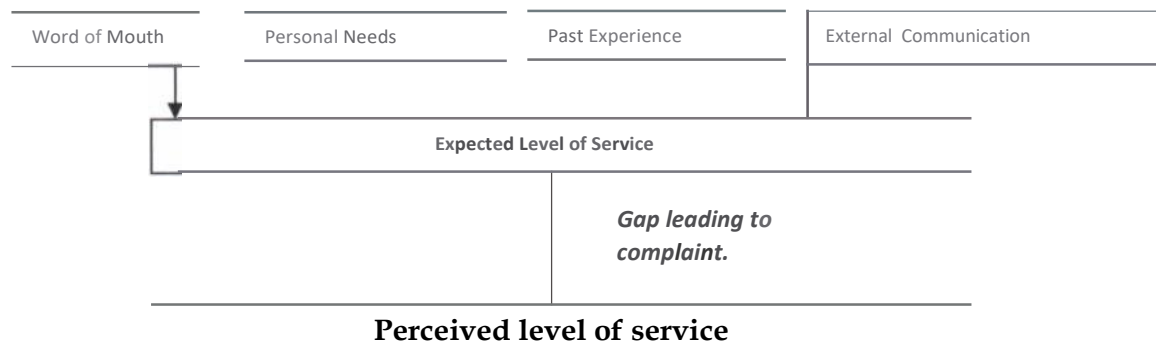
- ✓ The resolution process is accelerated with proactive interventions by the Grievance Redressal Committee to cause nil distress to the customers
- **Principles of grievance Redressal**
 - ✓ Our customers will be provided with information on how to raise their grievances at our office over phone and on website.
 - ✓ The process to raise a complaint / escalation / grievance would involve only relevant investigative questions without any kind of hassle to the customer.
 - ✓ Resolutions would follow the simple principle of ensuring an effective resolution. The responses would be consistent with RBI guidelines at all times as applicable to reduce customer grievances.
 - ✓ We remain quick and consistent at all times in providing necessary information or process requested by the customer.

2. DEFINITIONS & BACKGROUND

A “**Grievance/Complaint**” is an expression of dissatisfaction with a product or service, either orally or in writing, from a customer. A customer may have a genuine cause for complaint, although some complaints may be made as a result of a misunderstanding or an unreasonable expectation of a product or service

- **Why complaints**

Complaints arise because there is a gap between the service level expected by the customer and the level at which the customer perceives the service that is being provided.



- **Complaint and Inquiry- The Difference**

A **complaint** is a written or spoken communication expressing dissatisfaction with the company's products, policies, services and actions of its representatives, or employees.

An **inquiry** is a request for information internal or external about a product or policy, service or operations. For example, a customer may request the no-dues letter. We do not count such inquiries as complaints.

- **Scope of the Policy**

- ✓ Based on the affected stakeholder, Complaints may be categorized into:
 - a. Customer issues:
 - Directly from Customers or Prospects.
 - Escalated customer issues from lawyers, regulators or government bodies.
 - b. Internal Issues:
 - Inter departmental complaints.
 - Complaints by contractors or vendors.
 - c. HR issues: Staff complaints on Personal Matters.
 - d. Investor issues: Complaints from investors or Shareholders.
 - This manual focuses on management of complaints that arise from Customer issues
 - i. e. Category (a) mentioned above.

For the other category of complaints, this manual will only indicate which department to route these to, for resolution.

3. **FRAMEWORK FOR COMPLAINT MANAGEMENT**



The complaint management in the manual will cover the 5 steps indicated above.

- **Process Objective**

The objectives of the complaint management process are to

- Handle complaints responsively and provide prompt and effective solution to the customer.
- Standardize work practices so that recurrence of similar complaints is minimized.

3.1 **Complaint Recording**

- **What are the various customer touch points?**

Complaints arise at customer touch points. If a touch point leads to a negative moment of truth it emerges as a complaint. Some of the typical touch points in our business are:

- *Interaction by LA or sales staff with potential lead or prospect*
- *Interaction of branch staff with customer*
- *Contact with delinquent customer*
- *LUC/LRV visits by our staff*
- *Customer visit for disbursement*
- *Customer request for a loan balance letter*
- *Customer call at the Call Centre*

- **Registration of complaints**

Further, the Company enables its customers' to register complaints through multiple channels. The various channels available to customers are as follows: –

- ✓ **E-mail:** Customers can send an email for redressal of issues to info@subhlakshmi.in.
- ✓ **Call:** Subhlakshmi Help line number is displayed at branch notice board, website and loan documents. A customer may call on the help line number. A customer may also call to complain on the mobile number of the Subhlakshmi employee that they are dealing with. Any such complaint has to be reported to customer service team at Audit Department.
- ✓ **Customer Visit:** Customer may visit a Branch/ HO/RO for logging the complaint.

3.2 Complaint log

- a) All the complaints irrespective of the channel and the receiver must be recorded in softcopy in the specified format and presented to senior management during monthly review.
- b) Complaint registers will be maintained by each Branch.
- c) To ensure that all complaints are heard, the branch notice board will carry the name and contact number of the Branch Manager and the Escalation Point as may be provided in specified format in its respective local language.
- d) The required contacted person and help line contact will be specified in the Customer Loan documents, to facilitate service to the customer.
- e) Grievance Redressal will check generic email ID info@subhlakshmi.in linked to complaint logging every day and will periodically confirm with the custodians of another generic email ID corporate.compliance@subhlakshmi.in to receive and

log all the complaints related to customer issues.

- f) Complaints logged and resolved via Mail/ Call should have complaint number.

3.3 Complaint Routing & Escalation

The table below specifies the person who are responsible for responding to the complaint along with the point where a complaint may be escalated in case the same cannot be handled by the first respondent

S. No.	Complaint Category	Accountable for response	Escalation to
A	Complaints made at Branch or Field - by Customers or Prospects	Branch Manager	Grievance Redressal
B	Complaints made at Call-Centre or HO/RO board lines or through web or generic corporate email ids	Grievance Redressal	Head of Distribution
C	Escalated customer issues from lawyers, regulators or government bodies. Legal to respond within 24 hrs. If no response, proceed to resolution.	Grievance Redressal with guidance from Legal dept.	CEO/ED
D	Internal customer complaints	Respective department head	Grievance Redressal
E	From our contractors or vendors	Respective department head	Grievance Redressal
F	Staff complaints on personal matters	Head of HR	CEO/ED
G	From investors or shareholders	Finance	CEO

3.4 Complaints Investigation

The person or department accountable for resolving a complaint may often require details from another support department to investigate and resolve the complaint.

Internal departmental service levels shall be standardized and monitored by Grievance Redressal to ensure that complaints are responded speedily and accurately.

Even though a complaint may relate to another department process, the manager accountable for response (see table in section 3.3) will have the ownership to coordinate

with the other department and get the complaint resolution response communicated to the customer.

3.5 Complaint Resolution

- **Complaints Resolution Timelines**

Customer Complaints Service standards are:

- Acknowledge complaints (Holding Response) : 2 Working Days
 - Response with resolution: 10 Days
- ✓ Revert for all the complaints should be through the same mode in which customer has complained - i.e. complaint received from the walk-in customer, will be replied via call. Written response (letter or email) is to be preferred when the complaint raises a serious customer issue.
 - ✓ In case of written complaints (received through letter or email) Grievance Redressal will acknowledge the complaint within 2 Working Days and mention that the response would be sent within 10 Days.
 - ✓ If the response is expected to take more than 10 Days, customer should be advised about this extended timeline for sending a resolution and response.
 - ✓ Departments have an internal service standard of 4 days to investigate and suggest a resolution of the complaint. If any department needs more than 4 days, then the same must be communicated to Grievance Redressal within 24 hours of receipt of complaint with timeframe of resolution.
 - ✓ 30 Days is the outer limit for resolution and revert, thereafter customer may approach ombudsman.

- **Complaint Response - Standard Templates**

Standard templates for response to customers has to be made by Grievance Redressal department. These may be used by the responding department suited for:

- Template for acknowledging a complaint
- Templates for complaint resolution response

Response to complaints should be:

- Factual and accurate, providing specific figures and computations where necessary
- Personalized with the name and designation of the sender. This facilitates the escalation by the customer if dissatisfied with the resolution.
- Copied to the relevant department which was involved in the investigation/resolution.

3.6 Complaint Metrics and Reporting

Grievance Redressal department will periodically (at least monthly) compile all the customer complaint logs across the organization. The Complaint Logs along with response letters/emails should be maintained for a minimum period of 5 years.

As a good practice, Grievance Redressal department is expected to monitor and report every month:

- ✓ MIS on Complaints Resolution TAT.
- ✓ 10% Sample QC on the Complaints. (Minimum 10 Complaints)
- ✓ Categorially done Analysis of Complaints
- ✓ Root cause analysis of Key Complaint Categories (Quarterly) -

4. Handling Regulatory Complaints

Potential regulatory complaints

- The following are considered regulatory queries/complaints:
 - ✓ *All complaints from customers, which require legal inputs*
 - ✓ *All Legal Notices issued by lawyers on behalf of customers*
 - ✓ *All queries, notices, requirements, from or of, a Regulator or Authority, e.g., RBI, ROC, The Central or a State Government, any Agency of the Central or a State Government*
 - ✓ *A Consumer Forum or a Court of law:*
- **Guidelines for handling regulatory complaints**
 - ✓ Under no circumstances, should receipt, or acknowledgement of receipt (if sought) be refused.
 - ✓ In acknowledging receipt, the date, place and time of receipt must be carefully recorded on the acknowledgment sheet, and also on an internal cover sheet for the document delivered.

- ✓ No response should be provided by the recipient or by any other point of reference in the Company, without reference to the Legal Officer.
 - ✓ The papers or the query received must be immediately, without delay, forwarded to the Legal Officer/ Legal Head.
 - ✓ If a holding response is necessary before a final response can be made, it should be sent in consultation with the legal officer.
 - ✓ Same Complaint received from different government will have a same complaint number throughout the process.
 - ✓ Grievance Redressal department to finally respond to the complainant after consultation with legal.
- While responding to such escalated complaints, care should be taken to:
 - ✓ *Respond within specified time*
 - ✓ *Address all issues in the complaint or inquiry*
 - ✓ *Include all requested information /material in the response*
 - ✓ *Understand complete implications of different questions and responses*
 - ✓ *All regulatory responses are reviewed by the legal head before they are sent out.*

5. Policy Revision

This policy is subject to revision based on the extant RBI guideline from time to time.