



BELSTAR MICROFINANCE LIMITED

## CUSTOMER GRIEVANCES REDRESSAL MECHANISM (CGRM) POLICY

Policy Certification	
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## 1.Introduction:

Belstar Microfinance Ltd. (BML), through its credit and credit-plus support services, aims to financially empower unserved and underserved women and help them build and manage their sustainable livelihoods. BML 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 has the right to be heard. Customer complaint constitutes an important aspect of ***Voice of Customer***. 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, requirement, and expectations. This, inter alia, will help BML to improve its processes, services and internal controls.

Master Direction-RBI (NBFC-Scale Based Regulation) Directions, 2023 (DoR.FIN. REC.No45/03.10.119/2023-24) dt19.10.2023 updated as on dt10.11.2023 mandates the Board of the Company to lay down an appropriate grievance redressal mechanism within the organization and to review its functioning periodically. Vide its Industry Code of Conduct-4<sup>th</sup> Edition in 2022 and Compendium of Directives and Advisories dated 15.02.2023 (updated as on 03.01.2024), Micro Finance Institutions Network (MFIN) has also provided guidance notes on Customer Grievance Redressal Mechanism (CGRM). RBI has also notified on 12.11.2021, The Reserve Bank-Integrated Ombudsman Scheme, 2021 and Master Direction -Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions dt29.12.2023 to address customer grievances.

## 2. Objectives:

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 dis-satisfactions. Additionally, it envisions (i) to protect customers against fraud or other unethical practices by educating them about the alternative escalation mechanisms within and outside the Company, for resolution of their issues if they are not satisfied with the Company's response; (iii) to consistently assess the impact of services in order to enhance competencies and serve the clients better and (iv) to orient employees for consistently superior service behaviour.

### 3. Underlying Principles:

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 clients.

### 4. Main Reasons for client's Complaints /Grievances

(i) **Employee Attitude related**- Such complaints should be handled courteously, sympathetically and above all swiftly. Inappropriate behaviour with customers be treated at zero tolerance level and immediate action is to be taken. It is to be emphasised that an open mind and a smile on the face of our employees will be able to win the customers' confidence and sort out many a complaint.

(ii) **Transactions / Operations related**- Such complaints arise due to inadequacy, at times, of the services made available to the clients or gaps in standards of services planned by the Company as per internal process and actual services rendered. Primarily Branch is responsible for the resolution of complaints/ grievances relating to transactions / operations. Branch would be responsible for ensuring rectification of entry / transaction for satisfaction of customers. In case, it is not getting resolved at branch level, they can refer the case to Principal Nodal Officer (PNO) at Corporate Office for guidance/resolution. It is the foremost duty of the branch to see that the complaint is resolved to the customer's satisfaction and if he/she is not satisfied, then to provide him/her with alternative avenues to escalate the issue to MFIN / RBI.

### 5. Framework:

This CGRM Policy framework broadly consists of the following:

#### 5.1. Employee Orientation:

Since customers greatly rely on field level employees to make use of our CGRM, the company will take steps to ensure that employees are sensitized about supporting the customers on 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 or orientation) 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 expeditiously. Parameters on CGRM will also be factored in the employees' performance appraisal which will ensure that employees have incentives to handle the customers' issues with utmost care and as per the Company policy. Vide Master Direction-RBI (NBFC-Scale Based Regulation) Directions 2023 (RBI/DOR/2023-24/116 dt19.10.2023 (updated as on 10.11.2023), RBI has specifically emphasised that training to employees shall include programs to inculcate appropriate behaviour towards customers and conduct of employees towards customers shall also be incorporated appropriately in their compensation matrix.

## **5.2. Customer Facilitation-**

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

### **5.2.1. Multiple channels-**

Customers will be provided with multiple channels to access to CGRM such as – complaints/suggestion box at all branches/ offices, Company's email addresses/ Toll-Free No / postal addresses, MFIN Toll Free No and contact coordinates of Centralised Receipt and Processing Centre (CRPC) of RBI at Chandigarh.

### **5.2.2. Training to Customers –**

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 customers' life cycle.

### **5.2.3. 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 Company's Toll-Free No-1800 102 7049. (Timing 10 am to 5 pm on working days)., Name and contact details of the Principal Nodal Officer with dedicated email id- [pno@belstar.in](mailto:pno@belstar.in), Toll-Free No of MFIN and contact details of RBI, Centralised Receipt and Processing Centre (CRPC), Chandigarh. 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.



### 5.2.3.1. 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 containing (i) Channels available to customers at the Company level to register complaints, (ii) Escalation process including complaints to MFIN and RBI, (iii) Expected Turn Around Time at every level of escalation, (iv) Toll-Free number of the Company -1800 102 7049. (Timing 10 am to 5 pm on working days), (v) Name and Contact details of PNO with dedicated email id- <a href="mailto:pno@belstar.in">pno@belstar.in</a> (vi) MFIN Toll-Free number to escalate complaints, (vii) Contact details of RBI, CRPC, Chandigarh to escalate complaints and (viii) The RBI-Integrated Ombudsman Scheme, 2021.
iv	Details of all loan products offered under annualised interest rate, on a reducing balance basis, processing fees, tenure, repayment frequency, purpose etc.

### 5.2.3.2. In Company's Branch / Regional / Head Office-

The disclosure / display will include the following in addition to the ones stated above for website.

i	Declaration that the company will be accountable for preventing inappropriate employee behaviour and timely grievance redressal.
ii	Commitment to transparency and fair lending practices.
iii	Client Protection Code in English and the local language.
iv	The minimum, maximum and average interest rates charged on microfinance loans. Pricing of loan involves only three components viz; interest charge, processing charge and insurance premium (which includes administrative charges in respect thereof).
v	Name and contact details of the Principal Nodal Officer with dedicated email id- <a href="mailto:pno@belstar.in">pno@belstar.in</a> and Toll Free No-1800 102 7049. (Timing 10 am to 5 pm on working days).

### 5.2.3.3. 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.
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 along with mentioning the Toll-Free No of the Company.
iv	Details of all loan products offered under annualised interest rate, on a reducing balance basis, processing fees, tenure, repayment frequency, purpose etc.
v	Consent to check customer's credit data with Credit Information Companies (CICs).

### 5.2.3.4. In Loan Agreement

i	Amount of loan sanctioned, effective annualised rate of interest on a reducing balance basis and other major terms and conditions of the loan.
ii	The exact due dates for repayment of a loan, frequency of repayment, breakup between principal and interest, examples of SMA/NPA classification dates, etc. will be specified in the loan agreement. Borrowers will be given notices in the vernacular language of any change in the terms and conditions including disbursement / repayment schedule, interest rates, service charges, prepayment charges etc. All 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 (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	A 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 by regulations.
viii	Company is accountable for preventing inappropriate employee behaviour and timely grievance redressal.
ix	Commitment to transparency and fair lending practices as per RBI.

### 5.2.3.5. In Loan Card / Repayment Schedule

i	Information which adequately identifies the borrower.
ii	Simplified Fact Sheet on Pricing
iii	All other terms and conditions attached to the loan
iv	Acknowledgement of all repayments including instalments received and the final discharge.
v	Issuance of Non-credit products shall be with full consent of the borrower and fee structure shall be communicated to her.
vi	No security deposit / margin/ other charges are collected from the customer by itself or by third parties as a condition to avail the loan.
vii	Grant of loan is not linked to any other product /services offered by the Company or a Company's identified third party.
viii	Pricing of the loan involves only three components viz; the interest charge, the processing charge and the insurance premium (which includes the administrative charges in respect thereof).
ix	No penalty is charged on delayed payment.
x	Prominently mention the grievance redressal system of the Company, its Toll Free No-1800 102 7049. (Timing 10 am to 5 pm on working days).and the name and contact details of the Principal Nodal Officer with dedicated email id- <a href="mailto:pno@belstar.in">pno@belstar.in</a> and that of the Branch Manager.
xi	MFIN Toll-Free No and contact details of RBI, CRPC, Chandigarh.
xii	All entries in the loan card should be in a language understood by the borrower

### 5.2.4. Proactive outreach to customers:

Given the educational and socio-economic background of Company's customers, it is likely that they may not reach out to our CGRM for a variety of reasons including hesitation, poor recall and mistrust etc. Therefore, Company shall take proactive steps to facilitate the customers to access the Company's CGRM by reaching out to them to get their feedback on various aspects like products/services offered, processes followed, employee behaviour etc. through customers-survey-questionnaire or feedback-rating in tab/mobile applications and during field visits by higher officials. BML shall ensure redressal of grievances of persons with disabilities under the Grievance Redressal Mechanism.

### 5.2.5. Complaint Escalation-

BML 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) or Regional Manager (RM) and discuss the complaint/grievance issue. The contact number of the BM and RM are mentioned in the Loan Card /Repayment Schedule and also displayed in the branch. The BM / RM shall resolve the complaint 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 call the Belstar's Toll Free No-1800 102 7049. (Timing 10 am to 5 pm on working days) or contact the PNO with dedicated email id- [pno@belstar.in](mailto:pno@belstar.in) . The complaint will be handled as per guidelines in this policy and efforts will be made to address the grievance within 5 working days from the date of receipt of the complaint at the Toll-Free no.

**Level 3:** In case, the issue is not resolved within 10 working days of complaint either by lodging at the branch or at the toll-free no., the complaint can contact:

Mr. Banabihari Panda  
Principal Nodal Officer (PNO)  
Belstar Microfinance Limited  
Corporate Office, No:4/14, Soundrapandian Street  
Ashok Nagar, Chennai – 600 083. Email ID :- [pno@belstar.in](mailto:pno@belstar.in)

The complaint will be handled as per guidelines in this policy and the grievances will be resolved within 15 working days from the date of receipt of the complaint by the PNO if it involves only the Company or within 30 days if the complaint involves an external agency.

**Level 4:** If a customer is not satisfied with the response received from PNO or Branch or does not receive any response from the PNO or branch within 15 working days, the customer can contact Microfinance Institutions Network (MFIN) by making a phone call to their Toll-Free number- 1800 102 1080.

**Level 5:** If customer is not satisfied with the response received or does not receive any response from Branch / PNO within 30 working days from the date of complaint, customer may complain in any language to RBI through any one of the following methods under the RBI-Integrated Ombudsman Scheme (RBI-IOS):

- (i) Online: Through RBI's CMS portal (<https://cms.rbi.org.in>)
- (ii) Email at: [crpc@rbi.org.in](mailto:crpc@rbi.org.in)
- (iii) Physical complaint (letter/post) in the RBI prescribed format to: Centralised Receipt and Processing Centre (CRPC), 4th Floor, Reserve Bank of India, Sector 17, Central Vista, Chandigarh – 160017.
- (iv) Contact RBI in Toll Free No-14448 (Timing- 9.30. am to 5.15 pm)

#### **5.2.6 RBI's Integrated Ombudsman Scheme, 2021**

Since BML is covered under The Reserve Bank-Integrated Ombudsman Schemes, 2021, it shall appoint Principal Nodal Officer at Corporate Office / Nodal Officers at field level to assist the Principal Nodal Officer to implement this scheme. On receipt of a complaint from RBI, BML will file its written version in reply to the averments in the complaint enclosing therewith copies of the documents relied upon, within 15 days before the Ombudsman for resolution. For the benefit of its customers, BML shall display prominently in English, Hindi and the regional language in all its offices/ branches, the name and contact details (Telephone/mobile number and E-mail ID) of the Principal Nodal Officer along with the details of the complaint lodging portal of the Ombudsman (<https://cms.rbi.org.in>). BML shall also ensure that a copy of the Scheme is available in all its branches to be provided to the customer for reference upon request. The salient features of the Scheme along with the copy of the Scheme and the contact details of the Principal Nodal Officer shall be displayed and updated on the website of BML.

#### **5.2.7 RBI's directions on role and responsibilities of Internal Ombudsman (IO)**

The IO shall deal only with the complaints that have already been examined by the BML but have been partly or wholly rejected by BML and shall not handle complaints received directly from the customers. A policy approved by the Board of BML on SOP of referring such partly or wholly rejected complaints to the Internal Ombudsman has been in place.

- (a) BML shall internally escalate all such complaints that are partly or wholly rejected by its internal grievance redress mechanism to the IO within a period of three weeks from the date of receipt of the complaint. The IO and BML shall ensure that the final decision is communicated to the complainant within 30 days from the date of receipt of the complaint by

BML. BML shall furnish all records/documents sought by the IO to enable expeditious resolution of customer grievances.

- (b) The IO shall have read-only access to the BML's Complaint Management System(CMS) and Reserve Bank's CMS to enable the IO to keep track of:
  - (a) the cases forwarded by the offices of RBI Ombudsmen, (b) decisions of the RBI Ombudsmen, and (c) where applicable, the decision of the Appellate Authority under the RBI Ombudsman scheme.
- (c) In case the IO upholds the decision of BML to reject/partly reject the complaint, the reply to the customer should explicitly state the fact that the complaint has been examined by the IO and, for the reasons stated in the reply, the decision of BML has been upheld. In all such cases, BML shall necessarily advise to the complainant as part of the reply that he/she can approach the RBI Ombudsman for redress (if the complaint falls under the RBI Ombudsman mechanism) along with complete details. The advice should include the link to Reserve Bank's portal ([cms.rbi.org.in](https://cms.rbi.org.in)) for online filing of customer complaints.
- (d) In case the IO overrules the decision of BML to reject/partly reject the complaint, BML can disagree with the decision of the IO with the approval of its Managing Director/Chief Executive Officer. In such cases, the reply to the complainant shall explicitly state the fact that the complaint was examined by the IO and the decision of BML was overruled by the IO in favour of the complainant. However, BML, with the approval of its Managing Director/Chief Executive Officer, has disagreed with the decision of the IO. All such cases shall be subsequently reviewed on a quarterly basis by the Board of BML.
- (e) BML shall use the analysis of complaints handled by the IO in their training programmes/ staff meetings to raise awareness among the frontline staff about, inter-alia, the pattern of complaints being received by the company, their root causes, remedial measures and expected action on the part of frontline staff. The IO will also be associated with such trainings, where necessary.

- (f) The decision of the IO shall mandatorily be included in the information submitted by BML while replying /furnishing documents to the office of the RBI Ombudsman.
- (g) BML shall report to RBI in the format as per Annexure-VII (i) on a quarterly basis, the total number of complaints received, the number of partly or wholly rejected complaints and the number of complaints escalated to the IO, within 15 days from the end of the quarter and (ii) annually the number of cases where the decision of IO has been rejected (with the approval of Managing Director/Chief Executive Officer) and the number of cases closed by the IO, and age-wise number of cases where BML was yet to implement the decision of the IO to be submitted by April 15.
- (h) The IO shall furnish periodic reports to the Board of BML every quarter.
- (i) The internal audit of BML shall cover the implementation of this direction, covering inter-alia, aspects relating to (a) the infrastructure (space, IT infrastructure, human resources, etc.) provided to the IO, (b) adherence with various timelines indicated in the direction and (c) support provided by BML to the IO for redress of the complaint. However, the scope of the internal audit shall exclude any assessment of the correctness of decisions taken by the IO.

### 5.3. Governance Structure:

#### **5.3.1. At Branch / Regional Level:**

Branches are the first level of customer interactions. The Branch Accountant (BA) will be the branch-level Nodal Officer for Customer Grievance Redressal. The BA will *proactively assist the customers* who wish to submit their complaints/ suggestions in the drop-box provided in the respective branch and record the same in a serially numbered Complaint Book (with duplicate perforated copies as per format in *Annexure-I* available with the BA 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 BA. 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 BA at the end of the day. The BA will open the drop-box at the end of the day and record the complaint /



suggestion received, in the Complaint Book even if the complainant is not there to sign the complaint. The Branch Manager (BM) will record the complaints in the branch level Complaint Disposal Register as per format in *Annexure-II*. BM will peruse the complaint, initiate resolution, if possible at his / her end, email brief detail of the complaint to RM / Zonal Head under copy to Principal Nodal Officer at Corporate Office in email id [pno@belstar.in](mailto:pno@belstar.in) within three working days of the complaint. If resolved, the BM will inform the complainant (within 5 working days of the complaint) about the resolution and email the same immediately to RM / Zonal Head and Principal Nodal Officer (PNO), Corporate Office. If not resolved at his / her end, the BM will pursue with RM / PNO, Corporate Office for resolution of the same. Each BM will submit as per format in *Annexure-III*, to RM a monthly statement, within the first-week of the succeeding month, of customer complaint resolution status stating the no. of complaints registered during a month, no of complaints closed, no of complaints open (along with details of open complaints as per branch complaint register). The RM will consolidate branch-wise complaints and submit a monthly report within the second-week of the succeeding month to the PNO at Corporate Office in email id [pno@belstar.in](mailto:pno@belstar.in) as per format in *Annexure-V*.

There will be a branch level Customer Service Committee (CSC) consisting of the Branch Manager, Branch Accountant and at least three clients from each cluster 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 RM or Zonal Head 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 related matters. Minutes of the meeting will be recorded as per the format in *Annexure-IV* and copy submitted to the RM within one week of the meeting. The RM will submit a consolidated report on the quarterly CSC meetings of all branches under his / her control and send the same to PNO, Corporate Office within 10 days of end of each quarter as per the format in *Annexure-V*. Separate monthly reporting by BM / RM is not needed for the month when the quarterly CSC meeting is held / reported.

### **5.3.2. At Corporate Office Level:**

There will be a Grievance Redressal Committee (GRC) at Corporate Office. This committee will meet at least once in a quarter and will be chaired by the Managing Director. The Principal Nodal Officer at Corporate Office will be the convenor-member of this committee. The Executive Director, Chief Executive



Officer, Head – Business, Heads of Accounts, Risk, IT, Audit and HR departments or their representatives will be the other members. There will be at least one-woman member in this committee. The Convenor will submit to the committee the detailed analysis of the individual complaints processed during the quarter. The committee will (i) evaluate complaints received channel-wise / category-wise and the redressal process during last quarter; (ii) peruse the CGRM audit report, if any, and 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.

### **5.3.3. 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 Committee at Corporate Office and Customer Service Committees at Branches and operation of the Company's Customer Grievance Redressals Mechanism (CGRM) during the last quarter.

### **5.4. 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.

#### **5.4.1. Registration of the complaints, acknowledgement and assignment:**

Complaints are received through various channels like BML's Toll Free No, email id [bml@belstar.in](mailto:bml@belstar.in) or [pno@belstar.in](mailto:pno@belstar.in) which are displayed in our website, oral complaint / letter received at branches, letter received at corporate office from a complainant, email from MFIN and through the CMS portal of RBI.

**5.4.1.1 Complaints received by BML's Toll Free Desks-** After listening to a complainant calling to our Toll-Free No, the officials manning the toll-free desks can decide whether it is an enquiry / a service request or a complaint. To enable them to make this judgement and classify correctly, such officials should be given training / updation inputs on internal policies / process on products, onboarding, underwriting, collection, CGRM etc. In case of any doubt on such classification, they can approach the Principal Nodal Officer (PNO) for clarification and classify the call as guided. Complaints are to be categorised under types as listed in point 5.4.2 below. Once categorised the complaint

should be entered by the official in the Master Complaint Register and assigned a system based serial Complaint no. for subsequent follow up / reporting. The official manning each desk of toll-free no, will at the end of the day, prepare a report of no of in-bound calls received, calls attended, no of out-bound calls made etc and email the same to the PNO / any official assisting him. The Toll Free call logs/recordings will be saved for at least six months. The official assisting the PNO will review the call logs/ recordings periodically to confirm that all complaints received through toll free calls are duly registered and report the analysis to the PNO for needed action.

**5.4.1.2 Complaints received by Emails-** All complaints to emails id [bml@belstar.in](mailto:bml@belstar.in) or [pno@belstar.in](mailto:pno@belstar.in) are to be received by the PNO. Complaint received in any other email should be forwarded to the PNO for action. On receipt of the email, the PNO will forward the same to the Complaint Desk indicating the category under which it can be registered. If the email is not complete with the minimum required information like the borrower's name, her loan ID, her contact mobile no, the branch of BML from where the loan is obtained, relationship with the borrower, if any relative of the borrower has sent the email, details about the complaint etc to ascertain the borrower's identity and to verify the internal records, then the PNO / Complaint Desk can seek these details from the emailer and on receipt of the same will register the complaint in the Master Complaint Register for assignment and resolution.

**5.4.1.3 Complaints received from branches/letter received at Corporate office-** All such complaints / letters will be received by the PNO who will send the same to the Complaint Desk indicating the category under which it is to be registered in the Master Complaint Register for assignment and resolution.

Once registered under any of the above channels, the complaint no, date of registration and the indicative resolution period as outlined in Annexure-VI, will be informed to the complainant by the Complaint Desk.

**5.4.1.4 Complaints received from MFIN-** Complaints received by MFIN and forwarded by email to BML should be received by the PNO who will inform the same to the Complaint Desk indicating the category of complainant for registration in the Master Complaint Register for assignment and resolution.

**5.4.1.5 Complaints received from RBI-** Under RBI's Integrated Ombudsman Scheme, the PNO is given access to the CMS portal of RBI in which a complaint is assigned to him. The PNO can contact the complainant to seek further details

required to enquire into the complaint. On receipt of the same, he will email to BML's Complaint Desk the details of the complaint and the category thereof for registration in the Master Complaint Register for assignment and resolution.

#### **5.4.1.5- Assignments / Delegation Matrix of the complaints for resolution-**

After registration of a complaint in the Master Register, the Complaint Desk will email the details of the complaint to the Regional Manager / Zonal Head of the branch, if the complaint is against the action or an official of the branch, or to a senior official of the Department concerned at Corporate Office if the resolution of the complaint can be undertaken at the Corporate Office level. The Business/ Department Head of the respective vertical may also be marked copy of such an email for their intervention, if required. *The principle is that complaint related dealings/resolution should be delegated to an official who is at least one level higher than the official against whom the complaint is raised.*

#### **5.4.2. Categorization of complaints and Tracking of resolution status:**

To synchronise Company's quarterly SRO reporting on CGRM to MFIN, all in-bound calls / communications are broadly categorised into (A1) Queries, (A2) Service Requests and (A3) Complaints. Complaints are further categorised into (B1) Interest Rates, (B2) Excessive Charges, (B3) Insurance Claim Settlements, (B4) Recovery Practices / Staff Behaviour, (B5) Mis-selling or Forced selling of Third Party products, (B6) Digital Transactions, (B7) Updation of Repayment Records, (B8) Updation / Dispute on data in Credit Information Report CIR), (B9) Fraud by Employees, (B10) Fraud by External Agencies and (B11) Others as stated in *Annexure-VI*. Against each of these in-bound calls/communications, the designation of the official concerned to whom it is to be escalated for resolution, is stated. The Board approved internal benchmark of Turn Around Time (TAT) in no of days are also set. Each complaint is also assigned a system generated serial complaint number in the master complaint disposal register at Corporate Office for easy tracking of resolution status.

#### **5.4.3. Closure of Complaint:**

The CGRM team will closely follow up the resolution of pending complaints. In case of a complaint received from MFIN or RBI which is resolved, a letter of satisfaction will be obtained from the complainant by the team assigned to resolve the complaint. If such a letter is written by the customer/ complainant in a vernacular language, then a verbatim English translation of the same will be prepared and both these must be sent to MFIN / RBI before closing the

complaint. In case of complaint received from RBI, the Internal Ombudsman's comments also must be recorded in the RBI's CMS portal after the PNO has recorded his comments before uploading the same for closure.

Once a complaint received through email is resolved, the complainant will be appraised of the same by reply email by Complaint Desk before closing the complaint.

Resolution of complaints received through Toll-Free calls will be communicated over calls to the customer/complainant and obtain his/her confirmation by the Complaint Desk before closing it. In case of no response to such a confirmatory call by the Complaint Desk, an sms can be sent to the mobile of the complainant about the resolution made before closure of the complaint. These calls must be confirmed while periodically reviewing the call logs/recordings.

If the complainant is not satisfied with the resolution of a complaint, the PNO at Corporate Office will relook into the resolution issue and may contact the customer / complainant and make further efforts to resolve the same. Despite all these, if a customer / complainant is still not satisfied partly or fully, then this case must be referred to the Internal Ombudsman and the Board approved SOP on the same must be followed. Additionally, the complaint desk will provide the complainant details of next escalation level available in case the complaint is not resolved to the satisfaction of the complainant.

The Principal Nodal Officer at Corporate Office will ensure that customer complaints are centrally recorded at Corporate Office, channel-wise, capturing date of complaint, complaint serial registration no, customers details (name, identification number, address, contact 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.

### **5.5. 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 system to identify and address any issue in CGRM warranting quick redressal.



### **5.5.1. Analysis:**

The Principal Nodal Officer at Corporate Office 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, awareness level about Company's CGRM amongst the customers / employees and take steps for improving customer service.

### **5.5.2. Audit:**

To improve efficacy of the CGRM, the company will have periodic audit of the CGRM. 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.

### **5.5.3. Reporting:**

The Principal Nodal Officer at Corporate Office will place the above said analysis to the Grievances Redressal Committee (GRC) at Corporate Office. The GRC will examine the analysis and CGRM audit report, if any, and report every quarter to the Board of the Company to review. The Board will review the CGRM analysis and audit reports and based on this information will consider providing necessary directions as required.

## **6. Commencement & Review:**

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

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Branch \_\_\_\_\_

Complaint Book

Annexure-1

**Complainant's Details**

Name:  
Name:

Member ID:

Group

Cluster Name:

Village Name:

District:

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***Brief Details of the Complaint***

Date:

Signature of Complainant

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***(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 BA/BM

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

***This complaint has been emailed to HO email ID- [pno@belstar.in](mailto:pno@belstar.in) .  
We are looking into the complaint for resolution at Branch level.***

**OR**

***This complaint has been reported to \_\_\_\_\_ Office/Dept  
vide ticket number \_\_\_\_\_ date \_\_\_\_\_ and copy marked  
to Corporate Office email ID [pno@belstar.in](mailto:pno@belstar.in) .***

Branch:

Date:

Signature of BM

---

***BM's Complaint Resolution Report***

***(to be recorded below and emailed to [pno@belstar.in](mailto:pno@belstar.in) on redressal of complaint)***

**Branch:**

**Date:**

**Signature of BM**

**ANNEXURE- II**

**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 outbound 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

**ANNEXURE-III**

**Monthly Complaint Resolution Status report of Branch to RM**

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 Accountant

Branch Manager

ANNEXURE-IV

**Minutes of Branch level Quarterly Customer Service Committee Meeting**

FOR THE QUARTER ENDED \_\_\_\_\_ Date of Meeting: \_\_\_\_\_

Branch Name: \_\_\_\_\_ Region: \_\_\_\_\_

Names & Designation of Belstar Officials/ Names of Cluster 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 Accountant \_\_\_\_\_ Branch Manager \_\_\_\_\_

ANNEXURE-V

**RM's consolidated Report on Quarterly Customer Service Committee Meeting**

FOR THE QUARTER ENDED \_\_\_\_\_ Region: \_\_\_\_\_

No of Branches in the Region \_\_\_\_\_, No of Branches CSC Meetings held \_\_\_\_\_

- 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 RM

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

Date: \_\_\_\_\_

Regional Manager

### **Internal Escalation and Turn Around Time ANNEXURE-VI**

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 CO Concerned	3 days
A2	Service Requests	BM/HOD of CO Concerned	15 days
A3	Complaints	BM/HOD of CO Concerned	15 days
B1	Interest Rates	HOD of HO Concerned	15 days
B2	Excessive Charges	HOD of HO Concerned	15 days
B3	Insurance Claim Settlements	BM/HOD of CO Concerned	30 days
B4	Recovery Practices / Staff Behaviour	BM/HOD of CO Concerned	15 days
B5	Mis-selling or Forced selling of Third-Party products	BM/HOD of CO Concerned	15 days
B6	Digital Transactions /	BM/HOD of CO Concerned	15 days
B7	Updation of Repayment Records	BM/HOD of CO Concerned	15 days

B8	Updation / Dispute on data in Credit Information Report (CIR)	IT Dept at CO	30 days
B9	Fraud by Employees	RM/CM / Business Head	15 days
B10	Fraud by External Agencies	RM/CM / Business Head	30 days
B11	Others	Depending upon the type	15 days

Annexure-VII

Report to the Consumer Education and Protection Department,  
RBI, Central Office, Office of the Internal Ombudsman (IO)

Belstar Microfinance LTD (BML), Report for the quarter ended: \_\_\_\_\_

Number of complaints received by the NBFC during the quarter	Number of complaints rejected (Partly or Wholly)	Number of complaints referred by the NBFC to the IO

Belstar Microfinance LTD (BML), Report for the year ended:

No of complaints referred by BML to the IO during the year	Nor of complaints closed by the IO	No of complaints where the decision of BML was not upheld by the IO	No of complaints wherein the decision of the IO was rejected by BML*	No of decisions of the IO implemented by BML	Number of decisions of the IO yet to be implemented by the NBFC for			
					1 month	2 months	3 months	> 3 months

\*with the approval of the Managing Director/Chief Executive Officer

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