



SATIN Creditcare Network Limited

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Classification / INTERNAL

1. Introduction

Satin Creditcare Network Limited (SCNL) is committed to providing its clients with the highest level of service quality. SCNL places a strong mechanism on maintaining an efficient system for promptly recording and addressing client inquiries and complaints. To facilitate this, SCNL has established a dedicated system known as "SPARSH" designed for the effective and timely resolution of client grievances.

2. Objectives

The objectives of this policy are to:

- Provide a fair and transparent process for resolving client grievances.
- Ensure that client grievances are resolved in a timely and efficient manner.
- Identify and address the root causes of client grievances to prevent them from recurring.
- Improve the quality of SCNL products and services

3. Scope

This policy applies to all client grievances, including those related to:

- Loan products and services
- Insurance products and services
- Third Party Products and services
- Customer services

4. Importance of Client Grievance Redressal Policy

- Better Client Retention
- Enhance Brand Loyalty
- One Stop shop for loyal Clients
- Improves product and process based on client's need
- Strengthen Client service culture
- Compliance to regulation

5. Process to Register Query/Complaints:

SCNL has developed a redressal mechanism to address its client's grievances on a priority basis. There are different channels through which the clients can register their complaints with SCNL.

a) Through Toll-free Number

SCNL has a dedicated toll-free number **18002123123** and a dedicated team that compiles, addresses, escalates and resolves client's queries/complaints. Contact timing is morning 08:00 am to evening 06:30 pm Monday to Saturday. The necessary steps to ensure client grievance redressal are as follows.

The client or his/her representative shall report to the SPARSH executive in case she has any query or complaint. She has to disclose the following things to the executive.

- Client and Husband's Name
- Location
- Customer ID as written on the loan card
- Loan ID as written on the loan card.
- Center number as written on the loan card.
- Satin's Branch to which she is associated.
- Name of the Community Service Officer (CSO) who handles her center.
- Name of the center leader.

b) Center Meeting Register (CMR)

Client can register her complaint/s through CMR. It's the responsibility of the CSO/Field staff to address the complaint/s and provide end-to-end solutions to the concerned client. CSO/Field staff shall collate the registered complaints and submit them to the concerned BM along with the status (Open/closed) of the complaint/s.

c) Complaint/Suggestion Register

BM shall update all the complaints in the SPARSH register in the branch. TM/DRM/ RM shall verify, the complaints registered in the complaint register and check the status of the resolutions, during their visits to the respective branches.

d) Complaint Box

It is the responsibility of the Branch Manager and Regional Coordinator to check the status of the complaints in the complaint box on an everyday basis and provide resolution to the complaints as per the priority. BM/RC will be the primary key holder for the complaint box. If BM is on leave or has absconded, BM will hand over the key to one of the ABM/TM/DRM. Received complaints shall be required to be filed in the complaint register and TM/DRM/RM shall verify the same during their branch visits. Further BM shall have to share the details via mail with the concerned RC/RM on the same day in which the complaints has been registered. For Region office, RC will be the primary key holder and RM will be the secondary key holder for the complaint box. It is the responsibility of RC & RM to check the status of the complaints in the complaint box on an everyday basis and provide resolution to the complaints as per the priority. Received complaints shall be required to be filed in the complaint register in RO and share the details via mail on the same day to the HO SPARSH team.

e) Letters/E-Mail/Phone Calls

If complaints are registered through Letters/E-Mail/Phone calls to HO, then it is the responsibility of the HO-Sparsh team to address and keep them recorded. Whereas if complaints are registered through Letters/E-Mail/Phone calls to RO then it is the responsibility of RC/RM to address and get them resolved. On the other hand, RC/RM is required to keep them recorded and share the details via mail with HO.

f) Through MFIN

If the client is not satisfied with the resolution provided by SPARSH or in case the client does not get any resolution within 30 working days, the client can call MFIN's toll-free number – 18001021080 to escalate the complaint.

g) Through the Reserve Bank of India

If the complaint/dispute is not redressed within one month, the client may contact the RBI at the below-mentioned contact details;

Centralized Receipt and Processing Centre (CRPC)

Reserve Bank of India
Central Vista, Sector-17
Chandigarh- 160017
E-Mail: crpc@rbi.gov.in

Upon receipt of the complaint, the executive registers the complaint and speaks to all relevant stakeholders namely, CSO/Branch Manager (BM)/Territory Manager (TM)/Deputy Regional Manager (DRM)/Regional Manager (RM) to validate the query/complaint raised by the complainant. If he/she finds the complaint genuine and needs immediate redressal at the next immediate level, the executive mobilizes

immediate support and ensures timely redressal of the complaint by taking help from the BM, TM, DRM, and RM locally.

Depending on the severity of the complaint, it is then escalated to the SPARSH SPOC at SCNL head office, who then follows up with the line departments to resolve the complaint. The grievance redressal team maintains all the records with respect to the client's query and complaint received on the toll-free number in LMS, where all the details of the query/ complaint are fed along with the subsequent escalation and action taken to resolve the grievance.

In addition, complaints registered at the branch or regional office are also shared by the field team with the HO SPARSH team who then takes the required follow-up on these cases to resolve them.

The status of all the cases is also updated in the LMS as;

- Closed
- Open
- Request

Closed cases are all those cases that are resolved by the grievance redressal team either by sharing relevant information with the client or by immediate intervention of the regional operations team at the branch or regional level, to the satisfaction of the client. All those cases that are open and cannot be resolved are flagged up to the line department's supervisor at the head office by describing the nature of the complaint. They then suggest appropriate action for all such cases and resolve the complaint to the satisfaction of the client and in adherence to the FPC norm. The maximum time to resolve open cases is usually 1-3 weeks depending on the nature of the complaint.

A summary of the control sheet duly updated by the GRM team is shared with the senior operations team on a daily basis. The team also prepares a monthly report at the end of each month with an analysis of number, origin, type of calls/complaints and details of open cases, which is shared with the senior and middle-level operations team.

A summary of all the complaints is presented in the board meeting, on a quarterly basis, so that the board can appraise and guide the management on best practices on grievance redressal to enable SCNL to be a client centric organization.

Customer may request various information regarding her loan application, loan status, loan product, repayment, consent withdrawal etc. SCNL team fulfill their request by providing relevant information the clients.

6. Disciplinary Action Against Staff

Based on the frequency and severity of a complaint, four (4) types of actions can be taken against the staff if he is found guilty. Post investigation by the supervisors, if the staff is found guilty then either of the following actions is taken by the concerned Circle Head in consultation with PNO/GRO:

1. Warning letter
2. Transfer
3. Can affect promotion
4. Termination

7. Compliance with Reserve Bank of India Guidelines

Reserve Bank of India (RBI) in August 2012, issued a directive on grievance redressal to NBFC-MFIs. Since then, RBI has been regularly issuing guidelines in their Fair practices Code (FPC) circulars on grievance redressal. SCNL has ensured that its client grievance redressal mechanism adheres to the guidelines issued by RBI through following measures:-

- SCNL has an appropriate grievance redressal mechanism within the organization, laid down and approved by the Board of Directors (BoD).

- Complaint mechanism ensures that all disputes arising are heard, escalated and resolved.
- Board reviews periodically the compliance of FPC and functioning of grievance redressal mechanism at various levels of management.
- Consolidated report of reviews is submitted to board at regular intervals.
- For the benefit of its clients, SCNL has displayed the following information prominently at their branches where business is transacted
 - a) Various channels through which client can register her complaint with SCNL.
 - b) The Sparsh Toll Free Number, name and contact details (Telephone/Mobile nos. and email address) of the Grievance Redressal Officer (GRO) who can be approached by the clients for resolution of complaints/queries.
 - c) Toll free Number of MFIN for grievance redressal (1800-102-1080).
 - d) Contact details of the Officer-in-Charge of the Regional Office of DNBS of RBI so that if the complaint / dispute is not redressed within a period of one month, the client may appeal to the local office of RBI.
 - e) A snapshot of RBI NBFC Integrated Ombudsman Scheme to give information about the scheme to the clients.

8. Appointment of Nodal Officers

In compliance with the RBI's Integrated Ombudsman Scheme for Non-Banking Financial Companies 2021, Nodal Officers ("NO") appointed at head/registered/regional/zonal offices, shall be responsible for representing the company and furnishing information to the Ombudsman in respect of complaints filed against the Company.

- **Principal Nodal officer (PNO) at Head office-** Head- Operational Excellence & Innovation who is also the designated GRO for SCNL.
- **NO at Circle level** –Circle Head
- **NO at Zonal level** - Zonal Manager
- **NO at Regional level** - Regional Manager

The name and details of the PNO/NO at the Head Office, circle, zone and regional level have been forwarded to the Chief General Manager of the Consumer Education and Protection Department, RBI through email.

9. Role of Nodal Officers

- PNO/NOs are responsible, inter alia, for representing SCNL before the Ombudsman and the Appellate Authority under the Scheme.
- The PNO is responsible for coordinating and liaising with the Customer Education and Protection Department (CEPD), RBI, Central Office.
- PNO is also responsible for representing the company and furnishing information to the Ombudsman in respect of complaints filed against the Company.

10. Appointment of Internal Ombudsman

- In terms of RBI directive dt. 15/11/2021, an Internal Ombudsman (IO) has been appointed w.e.f 13/05/2022 and any complaint rejected wholly or partly by SPARSH team has to be escalated to IO for final decision. As per SOP, IO has been given access to LMS and similarly given read-only access to CMS of RBI.
- IO reports to the CMD administratively and to the Board functionally. IO is required to submit a report (quarterly & annually) to RBI, regarding the total no. of complaints and no. of wholly/partly rejected complaints referred to him. IO is also required to report to the Board at least bi-annually.

11. Display Requirements

At all branches/offices where business is transacted, information about different ways in which a client can register his/her complaint with SCNL is displayed. Along with SCNL's toll free number, MFIN toll-free number and contact details of Regional RBI branch are also displayed. In compliance with RBI's Integrated Ombudsman Scheme 2021, a snapshot of RBI NBFC Integrated Ombudsman scheme including the name and contact details of the Ombudsman, who can be approached by the client has been also displayed at SCNL's branches/offices.

12. Compliance With Industry Code of Conduct (MFIN And Sa-Dhan)

SCNL's grievance redressal policy adheres to all the stipulations as per the Industry code of conduct prescribed by MFIN and Sa-Dhan, which requires MFIs to

- Establish a dedicated mechanism to handle/ receive complaints speedily and efficiently.
- Educate clients about the existence, purpose and process of the mechanism.
- Designate staff to handle complaints and make his/ her contact numbers easily available to the clients.
- Inform clients about their right to refer unresolved matters to RBI and the grievance redressal mechanism established by industry associations like Sa-Dhan and MFIN.

13. Complaint Categorization

Annexure 1

| Categories | | |
|------------|--|--|
| Category | Complaints | Application Stage Related |
| | | Credit Bureau Related |
| | | Disbursement Related |
| | | Recovery Stage Related |
| | | Related to Digital Transaction |
| | | Related to Third-Party Product/Service |
| | | Staff Behavior |
| | | Related to Insurance/Hospicash |
| | | Related to Digital Lending |
| | | Miscellaneous |
| | | Queries |
| | Credit Bureau Related | |
| | Disbursement Related | |
| | Recovery Stage Related | |
| | Related to Digital Transaction | |
| | Related to Third-Party Product/Service | |
| | Related to Insurance/Hospicash | |
| | Related to Digital Lending | |
| | Miscellaneous | |

Here is the complaint categorization:

| Type 1 | Type 2 | Type 3 |
|---------------------------|--|--------------------------------|
| Application Stage Related | Disbursement Related | Credit Bureau Related |
| Loan Rejection | Related to third-party product/service | Related to Digital Transaction |
| | Staff Behaviour | Related to Insurance/Hospicash |
| | Miscellaneous | |
| | Related to Digital Lending | |
| | Recovery Stage Related | |

14. Framework for compensation to customers for delayed updation/rectification of credit information

- According to RBI circular RBI/2023-24/72 DoR.FIN.REC.48/20.16.003/2023-24, October 26, 2023, any complainant, whose complain is regarding updation/rectification of credit information, is entitled to a compensation of Rs.100 per calendar day in case her complain is not resolved within 30 days from date of initiation of complain.
- A complainant may request a CIC or SCNL to update the credit information by making an appropriate correction, addition or otherwise, and on such request SCNL or CIC shall take steps to update the credit information within thirty (30) days after being requested to do so.
- After receiving the complaint (from complainant/CIC), SCNL shall forward the corrected particulars of the credit information to CIC or within Twenty one (21) days from the date of complain. Failing to do so, SCNL is liable to pay a compensation of Rs100 per calendar day.
- CGRM team will share the details of the complaint along with reason for delay in resolution to the principal Nodal officer. Post his approval the compensation amount will be credited to the complainant. Compensation amount shall be credited to the bank account of the complainant within five (5) working days of the resolution of the complaint.
- If SCNL rejects the complaint, the same shall be intimated to the customer along with rejection reason.
- Where the complaint has been received and registered by SCNL and there has been a delay in the resolution of the complaint, the SCNL shall inform the concerned CIC(s) and the complainant after the final resolution, regarding total delay (in calendar days) and the amount of compensation to be paid by the SCNL and/ or CIC(s).
- At the time of complaint submission, data regarding the contact details, email ID, and bank account details/ Unified Payment Interface (UPI) ID for crediting the compensation amount. The onus of providing accurate details will lie with the complainant and SCNL will not be held responsible for any incorrect information provided by the complainant.
- The complainant can approach RBI Ombudsman, under the Reserve Bank - Integrated Ombudsman Scheme, 2021, in case of wrongful denial of compensation by SCNL or CICs.
- SCNL shall send alerts through SMS/ email to customers while submitting information to CICs regarding default/ Days Past Due (DPD) in existing credit facilities, wherever the mobile number/email ID details are available.
- SCNL has a dedicated nodal point/ official of contact for CICs for redress of customer grievances. Details of the nodal point/ official along with email ID and telephone/ mobile number has been furnished by SCNL to CICs.

- In case of any change in nodal points/ official, SCNL shall inform such change to Credit Information Companies (CICs) within five (5) calendar days of such a change.
- SCNL shall undertake Root Cause Analysis (RCA) of the customer grievances at least on a half yearly basis. SCNL shall also use, among others, information on data rejected by the CICs and Data Quality Index (DQI) provided by CICs as sources of information for carrying out RCA.
- SCNL shall inform the customers the reasons for the rejection of their request for data correction, if any, to enable such customers to better understand the issues in the CIR.

15. Escalation Matrix



| TYPE 1 | TAT |
|-------------|-----------------------|
| TM/DRM/RM | T+3 days |
| ZM | 4-5 th day |
| Circle Head | 6 th day |
| PNO | 7 th day |

| TYPE 2 | TAT |
|-------------|-----------------------|
| TM/DRM/RM | T+3 days |
| ZM | 4-5 th day |
| Circle Head | 6 th day |
| PNO | 7 th day |

| TYPE 3 | TAT |
|--|-----------------------|
| HO Concerned Dept. (MIS, Insurance, Etc.) | T+4 days |
| Team Lead | 5-7 th day |
| Head of Dept. | 8-9 th day |
| PNO | 10 th day |

Any exception requires written approval of Head- Operational Excellence & Innovation & Chief Risk Officer.

Any lapse in the above-mentioned process will lead to serious disciplinary action against concerned staff.

| Name | Designation | Signature |
|-------------|--|---|
| Anil Kwatra | Head-Operational Excellence & Innovation |  |
| Dhiraj Jha | Chief Risk Officer |  |