

Margdarshak Financial Services Ltd.

**CLIENT GRIEVANCE
REDRESSAL POLICY AND
PROCEDURES**

2020

CLIENT GRIEVANCE REDRESSAL POLICY AND PROCEDURES

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1. Preface

- 1.1. Margdarshak Financial Services Ltd recognizes the need for protecting the interest of its clients. Establishing an effective and efficient Grievance Redressal Mechanism will contribute in building a long term relationship with its clients and overall sustained development of the organization. Timely redressal of grievance results in higher customer satisfaction which in turn leads to increased outreach of the clients and also helps in retaining the existing ones. It also serves as a Risk Management Tool in providing early warning signals for Operational Risks. Hence the Client Grievance Redressal Policy and Procedure document is aimed at minimizing incidences of client complaints and grievances through proper service delivery and review mechanism and to ensure its prompt redressal.
- 1.2. The Code of Conduct of MFSL lays down guidelines for general ethical behaviours of staff and professionalism. All employees of MFSL should adhere to professional behaviour in interaction both within the organisation as well as with the clients and external parties.
- 1.3. The Fair Practice Code of MFSL lays down guidelines for fair practices with respect to Loan Application and its processing, loan appraisal, disbursement, disclosures on interest rate and terms and conditions in loan card/loan agreement and loan recovery.
- 1.4. Towards this end , MFSL has put in place Client Grievance Redressal Policy which is based on the following principles:
 - 1.4.1.To provide clients a channel of communication of their grievances / complaints/ feedback/ suggestions.
 - 1.4.2.To educate the customers on the grievance redressal mechanism.
 - 1.4.3.To ensure that the clients are treated fairly at all times.
 - 1.4.4.To ensure that clients are protected against fraud, deception or unethical practices.
 - 1.4.5.To resolve complaints speedily.
 - 1.4.6.To consistently assess the impact to improve the services.
- 1.5. Accordingly, the Client Grievance Redressal Policy has been formulated with a view to provide mechanism for clients of the organization to approach Grievance Redressal Officer of the Company.
- 1.6. The policy is not the route for taking up a grievance about a personal situation.

2. Coverage of the Policy

Client Grievance can be filed in case of client dissatisfaction/complaint as described below:

- 2.1. Pilferage of confidential /personal information of the client
- 2.2. Staff Related- Field Officer coming late for collections, giving inadequate information about the products, staff using unauthorized agents or demanding personal favors, receipts not provided to clients , mistreatment or misbehavior with clients.
- 2.3. Breach of Code of Conduct of the company
- 2.4. Breach of Fair Practices of the company
- 2.5. Insurance related such as delay in insurance, insurance claim refused, etc.

- 2.6. Group Centre/Meeting place related issues like Group Leader being too dominant, demanding bribe or other favours or influencing credit decisions disproportionately. There could be other issues like meeting place or time related issues etc.
- 2.7. Incident/possible incident of sexual harassment of client at the workplace
- 2.8. Query related - Loan, Insurance, recruitment, BC ,MFI related queries
- 2.9. Policy should not be used to bring to light personal matters of another person which are no way connected to the organization.

3. Procedure for filing Grievances

Every attempt must be made by the field staff that client complaint does not arise. However, all field staff must clearly inform the clients about the client grievance procedure. The field staff must make every attempt to resolve grievances at their level.

3.1. Center Meetings/Branch (3daysFO/BM+3daysDM/AM):

- 3.1.1. Clients can make complaints to Field Officer: These enquiries will be forwarded to the branch manager for follow up and resolution. The issues raised by the clients are resolved during the meeting itself or within 3 days at branch level. If the complaint is against the Field Officer it should be reported to the Branch Manager.
- 3.1.2. The complaints are recorded in the Client Complaint Register along with name, group no. and phone no. of the client and are addressed at the Branch Level. If unaddressed and in case it is beyond the scope of his authority the Branch Manager forwards the request to the District/Area Manager. The District/Area Manager forwards it to the Grievance Redressal Committee at the Head Office if it is beyond the scope of his activities.

3.2. Written Complaint:

- 3.2.1. The clients can also give a written complaint and drop it in the Complaint Box at each Branch. These drop boxes are opened once in 15 days by the Area Manager/DM or the audit team and complaints are carried to the HO where the Grievance Redressal Committee does the investigation into the matters raised by the client.
- 3.2.2. The client can write a complaint and post it to the following address:
Grievance Redressal Officer
Margdarshak Financial Services Ltd.
118, Dayal Farms, Ganeshpur-Rehmanpur
Chinhat-Dewa Road
Lucknow-226019 (Uttar Pradesh)
- 3.2.3. The client can also email the written complaint to complaints@margdarshak.org.in.

- 3.3. **The clients can call on the Toll Free Number provided in the Loan Card** i.e. 18001231088 or phone no. +91-7232999222. The same is recorded by the person responsible which is reviewed and presented to the grievance redressal committee for redressal of grievances.
- 3.4. In case, client is not satisfied with the resolution then the client can call **Grievance Redressal Officer at MFIN** (Self Regulatory Association for MFI's) on the toll free number- 1800 102 1080. In case, resolution is not provided to client within one month then the client can appeal to

Department of Non-Banking Supervision, Reserve Bank of India, Regional Office, Mahatma Gandhi Road, Kanpur-208001 or call at 0512-2303277.

4. Communication of Grievance Redressal Mechanism

- 4.1. Client Grievance Redressal Mechanism, is prominently displayed in the Branch Offices.
- 4.2. Field Officers inform clients about the Client Grievance Redressal Mechanism during CGT.
- 4.3. Supervisors also inform clients about the Grievance Redressal Mechanism everytime they visit clients on Monitoring visits.
- 4.4. Name of the GRO, email id and Toll free number is printed on Loan cards
- 4.5. Staff is trained about the need to ensure that all clients are aware of the Grievance Redressal Mechanism.

5. Process of Client Grievance Redressal Mechanism/ Escalation process

5.1. Branch (FO/BM):

- 5.1.1. Field Officer records the complaints in the branch Complaint Register. BM during his center visits carries Complaint Book and record all complaints/Grievances notified by the client during his center visits in the complaint register and take steps to resolve the same timely and efficiently.
- 5.1.2. If complaints not resolved it needs to be escalated to the Area Office level within 7 days.

5.2. Area Office (DM/AM)

- 5.2.1. District Manager will have the overall responsibility of addressing Client Service issues/complaints/grievances in their respective districts. DM contacts the aggrieved Clients as and when necessary, meet her personally with the Branch Manager, for ensuring timely redressal of the complaint/grievance. Wherever deficiencies are noticed, accountability is fixed and action is taking against the complaint immediately.
- 5.2.2. AMs during their Weekly Branch Monitoring check the branch complaint/grievance book and take suitable steps to timely resolve all grievances and complaints.
- 5.2.3. The District/Area Manager forwards it to the Grievance Redressal Committee at the Head Office if it is beyond the scope of his activities within 7 days of receipt of complaint. All complaints needs to be resolved within 30 days.
- 5.2.4. A monthly report of Grievances received, addressed and unresolved needs to be submitted to Head Office by Area Manager as per format given in Annexure 1 by the 3rd of the following month.

5.3. Head Office:

- 5.3.1. All complaints directly received at Head Office through letter, email, phone call or through Area Office to be addressed weekly by a team consisting of Audit Head, Company Secretary and MIS Incharge. They would be responsible to do thorough analysis of the complaints and ensure necessary instructions are given to AM/DM/ Branches for speedy redressal and follow up till final redressal of the complaint.

- 5.3.2. Each client is given a complaint id for easy retrieval of complaints and follow up. HO to ensure that all complaints received directly or through Area Office needs to be resolved within 30 days.
- 5.3.3. They are also responsible to compile the monthly Grievance Redressal report received from branches/Area offices and Head Offices and present it to the Grievance Redressal Officer in the Committee held monthly tentatively on the second Saturday of the month.
- 5.3.4. A quarterly report on the complaints received and the turnaround time for redressing those complaints is submitted to the Audit Committee of the Board.
- 5.3.5. All complaints related to sexual harassment to be forwarded to the sexual harassment committee. Please refer to the Policy against Sexual harassment of women at workplace.
- 5.3.6. All fraud/suspected fraud related issues are escalated for further investigation to the Head of Audit/Risk Management and action is taken against erring employees. The complaints should be forwarded to audit@margdarshak.org.in.

6. Closure of the Complaint

All complaints ensured to be closed within one month.

7. Policy Review

The Policy shall be reviewed annually.

<Client Grievance Redressal Mechanism_Process Flow>

