Ombudsman Scheme for Non-Banking Financial Companies, 2018: **Salient Features**

Scheme covers customers of NBFCs with assets size >= Rs. 100 crore + customer interface All deposit (Excluding: Infrastructure Finance Companies, Core Investment taking NBFCs Companies, Infrastructure Debt Fund and NBFCs under liquidation)

Grounds for filing a complaint by a customer:

- Interest/Deposit not paid OR paid with delay
- Cheque not presented OR done with delay
- Not conveyed the amount of loan sanctioned, terms & conditions, annualised rate of interest, etc.
- Notice not provided for changes in agreement, levy of charges
- Failure to ensure transparency in contract/loan agreement
- Failure/ Delay in releasing securities/ documents
- Failure to provide legally enforceable built-in repossession in contract/ loan agreement
- RBI directives not followed by NBFC
- Guidelines on Fair Practices Code not followed

How can a customer file complaint?

If customer Written If reply is not received File a complaint At the end has not representation from NBFC or customer **NBFC** with of one approached Ombudsman to NBFC month remain dissatisfied with any forum (not later than the reply of NBFC concerned one year after the reply from NBFC)

How does Ombudsman take decision?

- Proceedings before Ombudsman are summary in nature
- Promotes settlement through conciliation → If not reached, can issue Award/Order

Can a customer appeal, if not satisfied with decision of Ombudsman?

Yes, If Ombudsman's decision is appealable → Appellate Authority: Deputy Governor, RBI

Note:

- This is an Alternate Dispute Resolution mechanism
- Customer is at liberty to approach any other court/forum/authority for the redressal at any stage

Refer to www.rbi.org.in for further details of the Scheme