## Appendix A

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

Scheme covers customers of


> NBFCs with assets size >= Rs. 100 crore + customer interface
> (Excluding: Infrastructure Finance Companies, Core Investment 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?
$\left.\begin{array}{l|l||l|l|}\begin{array}{l}\text { Written } \\ \text { representation } \\ \text { to NBFC }\end{array} & \begin{array}{c}\text { At the end } \\ \text { of one } \\ \text { month }\end{array} & \begin{array}{l}\text { If reply is not received } \\ \text { from NBFC or customer } \\ \text { remain dissatisfied with } \\ \text { concerned }\end{array} & \begin{array}{l}\text { the reply of NBFC }\end{array}\end{array} \begin{array}{|l}\text { If customer } \\ \text { has not } \\ \text { approached } \\ \text { any forum }\end{array}\right]$.

## How does Ombudsman take decision?

File a complaint with NBFC Ombudsman (not later than one year after the reply from NBFC)

- Proceedings before Ombudsman are summary in nature
- Promotes settlement through conciliation $\rightarrow$ 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 $\rightarrow$ 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

