



Grievance Redressal Policy

VERSION 2.0

Version History			
Version	Amendments	Date	Meeting in which adopted
1.0	First release	07.04.2022	Board Meeting
2.0	Second release	10.08.2023	Board Meeting

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1. Overview

Light Microfinance Private Limited, (“Company”) believes in conducting its affairs in a fair and transparent manner by maintaining the highest levels of integrity, honesty, and ethical behavior while dealing with its borrowers (“Borrowers”).

The Reserve Bank of India (‘RBI’), vide its Master Direction- Non-Banking Financial Company- Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, (‘NBFC Master Directions’) and various other guidelines issued from time to time, including the Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 (‘Microfinance Directions’), mandates all NBFCs having borrower interface to ensure that a suitable mechanism exists for receiving and addressing complaints from its borrowers and resolving such complaints fairly and expeditiously.

To establish and maintain an appropriate Grievance Redressal Mechanism (“GRM”) within the organization to resolve the complaints and grievances of its borrowers in compliance with the guidelines issued by the RBI as applicable to the Company non-banking financial company (“NBFC”), the Company has formulated this Grievance Redressal Policy (“Policy”) setting out the procedure for receiving, registering and disposing of the inquiries, complaints, and grievances of the borrowers concerning facilities offered by the Company, including but not limited to the Complaints in relation to the services provided by the third party agents or business facilitators appointed by the Company for providing such services on behalf of the Company (“Complaints”). This Policy will be read parallel to the Fair Practices Code (‘FPC’) formulated by the Company.

This Policy aims to provide a framework for dealing with the Complaints of the Borrowers in a fair and transparent manner and educate the Borrowers about the processes to be followed to lodge a Complaint with the Company and/or the RBI.

2. Purpose/Objective

The Policy has been designed to provide a robust mechanism for addressing and resolving the complaints and grievances raised by Borrowers. It shall be ensured by the Company that:

- the Borrowers are treated fairly and without bias, at all times;
- the Complaints raised by the Borrowers are dealt with courtesy and resolved promptly;
- the Borrowers are informed of the avenues to escalate their Complaints within the Company;
- the Borrowers are informed of their rights so that they can opt for alternative remedies if they are not fully satisfied with the Company’s response or resolution to their Complaints;
- Officials of the Company strive towards working in good faith and without prejudice towards the interests of the Borrowers.

Definitions

Unless otherwise defined or apparent from context, the following terms shall have the meaning as assigned herein below, and cognate expressions shall be construed accordingly:

Board/BoD	Shall mean Board of Directors of the Company.
FPC	Shall mean this Fair Practices Code formulated by the Company.
Company	Shall mean Light Microfinance Private Limited.
Borrower	Borrower shall mean a person who is interested in availing the loan and approaches the Company or who has availed at least one of the loan products of the Company.
Grievance Redressal Policy	Shall mean the Grievance Redressal Policy constituted by the Company.
Grievance Redressal Officer (GRO)	Shall mean the officer appointed by the Company to ensure redressal of the grievances of the borrowers.
Ombudsman Scheme	Shall mean the scheme issued by the RBI for resolving borrower grievances in relation to services provided by entities regulated by RBI in an expeditious and cost-effective manner.
Principal Nodal Officer (PNO)	Shall mean the officer appointed in terms with Ombudsman Scheme issued by the RBI.

3. Grievance Redressal Officer and Principal Nodal Officer

- 3.1. The Principal Nodal Officer (PNO) or the Grievance Redressal Officer (GRO) of the Company shall be appointed by the Board at the head office of the Company, who shall be responsible for representing the Company and furnishing information on behalf of the Company in respect of Complaints filed against the Company. The details of the PNO / GRO appointed by the Board are as follows:

Name: Mr. Jayesh Dave
 Designation: Assitant Vice President - Credit
 Contact number: 079-41057862
 email: grievanceredressal@lightmicrofinance.com

For Digital Lending:

Name: Ms. Madhavi Gajjar
 Designation: Company Secretary and Compliance Officer
 Contact Number: 079-41057862
 Email: grievanceredressal@lightmicrofinance.com

3.2. The Board and/or the PNO/GRO may further appoint nodal officers as they may deem fit for operational efficiency.

3.3. The Board may appoint the same person as the GRO and the PNO.

4. Channels for Sourcing Complaints

Considering the Company's Borrower profile, literacy level, and vulnerability, the Company has identified various channels for sourcing Borrower Complaints proactively.

A. Borrower Enquiries/Complaints received at the field:

Borrowers can submit their written or verbal enquiries / Complaints to any employee of the Company who meets them at any forum such as center meetings, or through dedicated Borrower Grievance Redressal ('CGR') phone number, etc.

B. Borrower walk-ins at branches:

- i. **Verbal Complaints:** Nodal officers or contact persons at branch offices will record the Complaints and provide solutions.
- ii. **Written Complaints:** All written complaint forms shall be sent to the Complaint Resolution Officer through post/courier, every week. All branch offices should keep copies of Borrower complaint forms for assisting the Borrower.
- iii. Borrowers can also send written complaint through snail mail directly to Head Office in attention of **Grievance Redressal Officer: Light Microfinance, 310, Pinnacle Business Park, Corporate Road, Prahlad Nagar, Ahmedabad - 380015.**

C. Borrower Call-ins:

- i. Borrowers can place calls to the Borrower grievance redressal phone number.
- ii. Borrowers can also write to the Grievance Redressal Officer to escalate their unresolved grievances at the email Id- grievanceredressal@lightmicrofinance.com.

D. External Complaints:

Complaints received from (on behalf of the Borrower or on the basis of public interest) the general public & other stakeholders such as Govt agencies, RBI, police, lawyers, industry ombudsman (MFIN & SAADHAN, etc.) & social activists will also be recorded at branch level.

E. Complaints received through MFIN (Micro Finance Institution Network)

The Borrower may also register his complaint on toll-free number with MFIN 1800 102 1080 if any complaint reported to the Company has not been resolved within a period of 30 days from the date of lodging the complaint with the Company or if the borrower is not satisfied with the resolution provided for complaint made by him/her.

- F. If the Complaint is not resolved within one month of lodging of the Complaint, or if the Borrower is not satisfied with the response of the Company, the Borrower may lodge their Complaint to the RBI Ombudsman on RBI CMS portal- <https://cms.rbi.org.in>. Complaints in electronic mode (e-mail to crpc@rbi.org.in) and physical form, including postal and hand-delivered Complaints, shall be addressed and sent to the place where the Centralized Receipt and Processing Centre of the Reserve Bank is established, for scrutiny and initial processing. *(Format available on the website under Ombudsman scheme 2021)*

Centralized Receipt and Processing Centre (CRPC)

Reserve Bank of India, Central Vista,
Sector 17, Chandigarh - 160 017

- G. Alternatively, the Borrower may also approach the Officer-in-Charge of the Regional Office of the Department of Supervision of RBI.

5. In the case of outsourcing

- 5.1. The provisions of this Policy shall also extend to deal with the issue relating to services provided by the outsourced agency, in case the Company has outsourced any of its functions.
- 5.2. The GRM, in no way, shall be compromised on account of outsourcing.
- 5.3. The declaration provided in the loan agreement as per the Microfinance Directions and the FPC of the Company shall include a clause to the effect that the Company shall be responsible for timely grievance redressal and in the FPC displayed at the branches/offices/ website of the Company.

6. Additional requirements in case of digital lending

- 6.1. In the case of digital lending, as defined under the RBI Guidelines on Digital Lending, the Company shall ensure that the GRM and the Lending Service Providers ('LSPs')¹ engaged by them shall have a suitable Grievance Redressal Officer to deal with FinTech/ digital lending related complaints/ issues raised by the borrowers. In this case, the GRO of the Company shall also handle all such issues related to digital lending.

¹ As defined under the RBI Guidelines on Digital Lending

- 6.2. Contact details of the Company's GRO shall be prominently displayed on the Company's website, as well as on the websites of the LSPs and on the Digital Lending Application ('DLA'),² and also in the Key Fact Statement³ provided to the borrower. Further, the facility of lodging complaints shall also be made available on the DLA and on the website as stated above.
 - 6.3. If any complaint lodged by the borrower against the Company or the LSP engaged by the Company is not resolved by the Company within 30 days, he/she can lodge a complaint with the RBI Ombudsman in the same manner as provided in this Policy. In any case, the responsibility of grievance redressal shall continue to remain with the Company.
7. Display of details of the redressal mechanism
 - 7.1.1. The Company shall prominently display, on its website/app, details in respect of the GRM, i.e., name and contact details, telephone no., email address of the Borrower Service Department, and the GRO.
 - 7.2. In addition to the display on the website, the above-mentioned information shall also be displayed in the offices of the Company where business is transacted. In this case, the Company may display the information in English as well as a vernacular/regional language.
 - 7.3. The salient features of the RBI Ombudsman Scheme along with the copy of the Scheme and the contact details of the Principal Nodal Officer shall also be displayed in the manner provided by RBI in this regard.
 - 7.4. The loan card provided to the borrower shall also include details of the GRM including the name and contact number of the PNO.
 8. Miscellaneous
 - 8.1.1. Notwithstanding anything contained in this Policy, the Company shall ensure compliance with any additional requirements, as provided in the FPC and as may be prescribed under any laws/regulations either existing or arising out of any amendment to such laws/regulations or otherwise and applicable to the Company from time to time.
 - 8.2. Borrowers should be educated on the FPC, GRM, and escalation matrix for their unresolved complaints, options, choices, and responsibilities vis-à-vis financial products and services available.

² As defined under the RBI Guidelines on Digital Lending

- 8.3. Borrower education is to be made through both printed education materials and effective verbal communication as the literacy level among borrowers is generally low.
- 8.4. The Company follows a strict no-discrimination policy and does not discriminate against persons with any disability. In furtherance of the ethos and values of the Company, the Company shall ensure the redressal of grievances of persons with disabilities under the GRM.
9. Review
 - 9.1. This Policy is subject to review by the Board as and when deemed necessary. The Board shall conduct an annual review of the functioning of the GRM at various levels of management.
 - 9.2. This Policy shall be subject to the applicable laws including but not limited to the rules, regulations, guidelines, directives, and instructions issued by the RBI, from time to time, and shall supersede the earlier version of the Policy. Any change/amendment in applicable laws with regard to the maintenance of an appropriate GRM shall be deemed to be incorporated in this Policy by reference and this Policy shall be deemed to have been amended and revised accordingly.

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