

**PAHAL FINANCIAL SERVICES PRIVATE LIMITED**

**Customer Grievance Redressal Mechanism (CGRM) Policy**

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## Introduction

Pahal Financial Services Private Ltd (PFSP) is a Micro Finance Company. Its Mission is to provide sustainable services for Financial Inclusion in Urban and Rural areas with proficiency, at an affordable price and to maintain dignity, honor, and transparency in our dealings with the borrowers at all times.

### Objectives

The company's policy, on Grievances Redressal has been formulated considering the following objectives:

- Borrowers are always treated fairly
- Complaints raised are dealt with courtesy and responded on time.
- All complaints are dealt efficiently and fairly without bias towards sex, ethnicity, caste, creed, or religion.
- Borrowers are fully informed of the channels to escalate their complaints/grievances within and outside the organization (Sa-Dhan and RBI Nodal Officer)
- The company's employees will work in good faith and without prejudice to the interests of the borrowers
- To provide timely solutions of the issue/complaints/grievances of the Borrowers to make them satisfied and ensure long-term association with them.

## Customer Grievance Redressal Mechanism

Grievance Redressal Mechanism refers to a system for collecting, resolving, and responding to clients' questions, complaints, and queries, and using client feedback to improve products, services, and operations.

An effective mechanism is one that allows for a timely response to clients and enables the institution to address both individual and systematic problems.

### Scope and Definitions

The policy is applicable to all clients – existing clients, drop-out clients, and potential clients.

Common definitions used in the policy are:

- **Complaints:** expression of problems, dissatisfaction or concern about the company product terms, or services or staff. Examples include complaints about delay in loan processing, rejection of loan application, delay in insurance claim, non-payment by group and group issues; staff misbehavior, misappropriation of funds, unauthorized activities, or any serious issue to be classified as grievances.
- **Query:** when the clients call or inquire about loans, interest amount, EMI, KYC details, insurance claim, disbursement, credit into the bank account, and other products
- **Information:** when clients call to give information. For instance, change in the venue of the centre meeting, that they are ready with the KYC documents, death of a client/spouse, etc.
- **Nodal Officer:** PFSP's appointed staff who is designated 'Nodal Officer' and Grievance Redressal Officer (GRO) as per the RBI Fair Practice Code for NBFC-MFIs
- **Grievance Redressal Committee:** is a committee set up by PFSP with inter-departmental heads for a speedy resolution and better coordination among departments
- **Resolution:** a formal process of resolving a complaint raised by client.

## Options available for clients to raise complaints

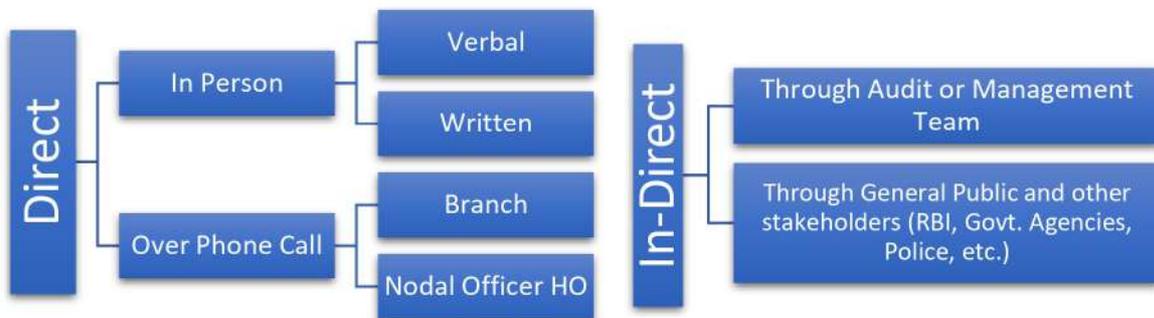
PFSP has identified the following ways of addressing customer grievances/complaints:

### 1. Direct

- a. In person – Reporting directly at the Branch Office of PFSP
  - i. Verbally – to be noted in the Complaint Register available at all branches
  - ii. In writing – in the Complaint Form
- b. Over Phone Call – Reporting about the issue over Nodal Officer Number

### 2. In-direct

- a. Through Audit and Management Team – Issues highlighted by Internal Audit and Management team
- b. Through General Public and Other Stakeholders (RBI, SRO, Government Agencies)



**Dedicated contact number at HO:**

PFSP has a dedicated landline /Toll-free number (Monday to Saturday -10 am to 6:00 pm) under the Grievance Redressal Department. Customer can call at the provided number for any query or to register the complaint.

All the communication related to CGRM shall be addressed at "[CGRM@pahalfinance.com](mailto:CGRM@pahalfinance.com)."

**Complaints registered with the Branch/RO/HO staff:**

A complaint register is maintained in all branches. Any complaint registered with the Branch staff and RO/HO Staff during their visit should be updated in the branch complaint register. The Branch Manager will take the necessary actions based on the type of complaint. Every complaint received at the branch should be updated in the Complaint Register.

**Suggestion box at Branches:**

Clients can forward their complaints in writing. They can write down their complaints and put it in the Suggestion Box kept at the Branch Office. This Box shall be opened by the concerned AM/ASM every fortnight.

**Letters to Head Office address or Branch address:**

Clients can forward their complaints in writing by sending a letter to the Head Office/ Branch address.

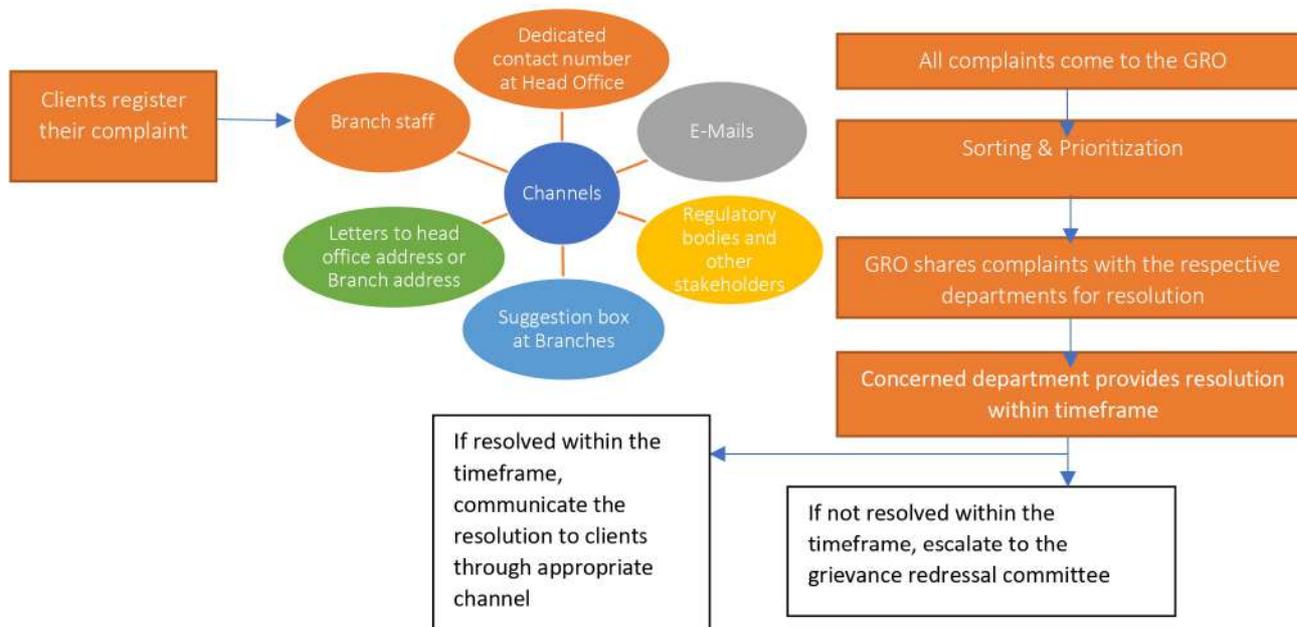
**Other sources**

Complaints can also come from other sources such as the SRO toll-free number or RBI nodal office in case clients reach out to those sources first for raising complaints.

**Head Office Address:** 7<sup>th</sup> Floor,  
Binori B Square – 2, Opp.  
Hathising ni Vadi, Ambli Iscon  
Road, Ahmedabad – 380054

Any complaint received by any mode will first be recorded by the recipient and then forwarded to the Nodal Officer

## Complaints Resolution & Escalation



PFSP shall constitute a Grievance Redressal Committee (GRC) with the following people to deal with in-house coordination and escalation. This committee will also monitor the complaints resolution status and reporting monthly:

- Nodal Officer/Grievance Redressal Officer
- Compliance Officer
- Ms. Purvi Bhavsar– Managing Director
- HR Head
- Respective Business Heads

The Grievance Redressal Committee shall meet quarterly. The quorum of the meeting shall be two members or 1/3<sup>rd</sup> of the total members whichever is higher, including the presence of the Chairperson or any member authorized to chair the meeting in their absence.

If the complaints are not resolved by the Nodal Officer/Grievance Redressal Officer (Ms. Sarsi Parekh, (02717-479169)/Helpline -1800120123400) of PFSP within the timeframe (1 month), the following is the escalation options available to the clients.

1. Ms. Purvi Bhavsar, Managing Director can be directly approached at Head Office (02717-479169).
2. In case PFSP is unable to resolve the grievance, the customer can approach Sa-Dhan GRO: Mr. A. Nandi at 011-47174418 & 47174400.
3. Customer can also approach RBI at Reserve Bank of India, Department of Supervision, 4<sup>th</sup> Floor “Riverfront House”, Behind H.K Arts College, Between Gandhi & Nehru Bridge, Pujya Pramukh Swami Marg (Riverfront Road -West) Ahmedabad – 380009, RBI Toll-free number- 14448 email: [dosahmedabad@rbi.org.in](mailto:dosahmedabad@rbi.org.in)  
Address of the Integrated Ombudsman: Centralized Receipt and Processing Centre (CRPC) Reserve Bank of India, Central Vista, Sector 17, Chandigarh - 160 017, (<https://cms.rbi.org.in>)

The details of the Grievance Redressal Officer & Nodal Officer shall always be made available on the website of PFSP.

### **Timeframes**

PFSP will undertake to resolve the complaints of clients within 1 month from the date of complaint. However, if the complaints are complex to resolve and may require further investigation, the resolution may take up more time. In case of delay in resolution, PFSP will promptly notify the clients by calling them on the contact number given or through the Branch staff about the possible date of resolution.

Complaints are categorized into severe and non-severe complaints. Severe complaints are those related to bad staff behavior, fraud, delay in insurance claim settlement, etc. Non-severe complaints are those that are related to policies (for eg: inadequate loan size), processes (high TAT), some cases of services (loan officer is late, and products (high-interest rate), etc. Severe complaints will be escalated immediately to the senior management.

“Complaints unresolved beyond the defined TAT must be tracked with reasons and escalated to the GRC. A monthly report of such cases shall be submitted to the Audit Committee.”

Assignments / Delegation Matrix of the complaints for resolution: After registration of a complaint, the Complaint Desk will email the details of the complaint to the Branch Manager/Area Manager/Regional Manager / Zonal Head of the branch, if the complaint is against the action or an official of the branch, or to a senior official of the Department concerned at Corporate Office if the resolution of the complaint can be undertaken at the Corporate Office level. The Business/

Department Head of the respective vertical may also be marked copy of such an email for their intervention, if required. The principle is that complaint related dealings/resolution should be delegated to an official who is at least one level higher than the official against whom the complaint is raised.

## Communication of the policy and process to staff

The policy will be communicated to all the staff by:

- Emails/memos to all the existing staff which will be sent by the Management Representative
- The policy and process to be followed for complaints resolution will be included in the induction training material for new staff. The new induction training material will also include a module on complaints handling
- Employee training material will contain the detailed processes to be adopted for registering and responding to customer grievance
- Posters that explain the complaints mechanism and escalation will be displayed at the Branch

## Communication of the policy and process to clients

The complaints mechanism will be communicated to clients in the following manner:

- Loan Passbooks/Loan Cards: all the complaint mechanisms available to the clients are included in the passbook/ loan card.
- Sanction letter
- CCT and CRT: During Continuous Center Training (CCT) and Center Recognition Test (CRT), the clients are explained about their right to complain and the process of registering complaint.
- Branch manager / Area Manager / Area Sales Manager / Audit & Risk team also inform the clients about their right to complain and the options available during their visits.
- Posters that explain the complaints mechanism will be displayed at the Branch
- Company website
- The Field Audit team ensures that proper training and awareness on Grievance redressal mechanism is provided to clients.

## Audit of Grievance Redressal Mechanism

The Audit & Risk staff checks the registers and contacts the clients with serious grievance to enquire if their complaint has been satisfactorily resolved.

PFSP's grievance cell is audited as part of the Branch audit. Internal Auditors enquire with clients during center visits, if they have any complaints and if those raised were settled satisfactorily. The auditors also check the grievance registers during the Branch audit, to verify if the complaints have been settled satisfactorily. Pending cases are followed up through field audits.

- Audit Department will check compliance with Complaint Resolution on a sample Basis.
  - In case any complaint is not resolved and wrongly reported by the Branch as resolved, it will be captured in the Audit report and reported to the Nodal Officer.
  - In such cases, the Grievance team will track the issue and change the status of the issue to 'Open', whereby resolution of the issue is to be followed as described earlier
  - Concerned department head will also be appraised for strict action against the person falsely reporting complaint resolution
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## Complaint Resolution Matrix

Type of Grievances		Priority Level	Timelines
Products / Process Related	Change in Repayment Cycle	Medium	15 working days
	Inquiry of Loan Products/ Service Points	Medium	
Transaction Related	Record Keeping	High	15 working days
	Commission charged by the leader	High	
	Acknowledgment receipt not provided	High	
	Passbook/Loan card not issued	Medium	
	Insurance claim settlement	High	
Staff Behavior	Unethical Behavior, Bribes, Fraudulent Activities, and other issues	High	7 working days
	Poor customer handling	High	
Over Indebtedness	Exclusion due to Credit Bureau	High	15 working days
	Credit Bureau report showing dues	High	
Pricing and cost of Loan	Interest rate	Medium	30 working days
	Processing Fees	Medium	
Collection Practices	Forced Collection	High	15 working days
	Punctuality of the FCO during collection	High	
Sharing of Personal/Financial Information	Return documents from branch on cancellation	Medium	30 working days
Any other	Inquiries related to Digital cash, Loan clearance, doubt about installment, etc.,	Low	15 working days

## Escalation Process

Escalation	Designation	Details
1 <sup>st</sup> Level	Branch Manager/ Relationship Manager	Contact details are displayed at the respective branches
2 <sup>nd</sup> Level	Area Manager/ Area Sales Manager	Contact details are displayed at respective Branches
3 <sup>rd</sup> Level	Nodal Officer	<p><b>Name:</b> Ms. Sarsi Parekh</p> <p><b>Contact Number:</b> (M): 7043334319, Toll-free No:1800120123400</p> <p><b>Email:</b> <a href="mailto:CGRM@pahalfinance.com">CGRM@pahalfinance.com</a></p> <p><b>Head Office Address:</b> 7<sup>th</sup> Floor, Binori B Square – 2, Opp. Hathising ni Vadi, Ambli Iscon Road, Ahmedabad – 380054</p>

Escalation	Designation	Details
4 <sup>th</sup> Level	Managing Director	<p><b>Name:</b> Ms. Purvi Bhavsar</p> <p><b>Contact Number:(O):</b> 027-17479169      <b>Email:</b> <a href="mailto:purvi.bhavsar@pahalfinance.com">purvi.bhavsar@pahalfinance.com</a></p> <p><b>Address:</b> 7<sup>th</sup> Floor, Binori B Square – 2, Opp. Hathising ni Vadi, Ambli Iscon Road, Ahmedabad – 380054</p>
5 <sup>th</sup> Level	Sa-Dhan (SRO)	<p><b>Grievance Redressal Officer:</b></p> <p>A. Nandi at 011-47174018</p>
6 <sup>th</sup> Level	Reserve Bank of India	<p>Officer in Charge of the Regional Office of DNBS of RBI, Ahmedabad, under whose jurisdiction the registered office of PF SPL falls.</p> <p><b>Address:</b> Reserve Bank of India, Department of Supervision ,4<sup>th</sup> Floor “Riverfront House”, Behind H.K Arts College, Between Gandhi &amp; Nehru Bridge, Pujya Pramukh Swami Marg (Riverfront Road -West) Ahmedabad – 380009</p> <p>RBI Toll-free number- 14448</p> <p>Email Id: <a href="mailto:dosahmedabad@rbi.org.in">dosahmedabad@rbi.org.in</a></p> <p><b>Integrated Ombudsman:</b> - Centralized Receipt and Processing Centre (CRPC) Reserve Bank of India, Central Vista, Sector 17, Chandigarh - 160 017, (<a href="https://cms.rbi.org.in">https://cms.rbi.org.in</a>)</p>

## Report to the Board of Directors

The Compliance Officer/Nodal Officer /Company Secretary shall share the detailed complaint analysis report with the Management and the Board of Directors of the Company during the quarterly Board Meeting. In this way, the board will be able to guide and appraise the management on best practices for grievance redressal and help Pahal in becoming a customer-centric organization. The report shall contain information such as the total no. of complaints received, disposed off, and pending cases with reasons thereof.

## Adoption and Review

The Client Grievance Redressal Policy and its revision shall be approved by the Board as and when required.