



**NEED LIVELIHOOD MICROFINANCE PRIVATE LIMITED**

**CLIENT GRIEVANCE REDRESSAL POLICY**

## **1. Preface**

NEED Livelihood Microfinance Private Limited is focused on empowering clients by providing service-driven credit accessibility to the under-financed/non-financed so as to achieve sustained organisational growth. Ever since inception, focused efforts have been made for the satisfaction client's needs and expectations. It is understood that due to adverse circumstances, things may go wrong, we encourage the client to tell us about them.

Hence, this Client Grievance Redressal Policy document, approved by the Board of Directors of the Company in its meeting dated 21<sup>st</sup> July, 2017, is aims at minimizing incidences of client complaints and grievances through proper service delivery and review mechanism and to ensure prompt redressal of client complaints and grievances. The review mechanism will help in identifying shortcomings in product features and service delivery.

We take complaints and feedback as a tool to improve our quality of service and treat complaints and suggestions as valuable insight into our client's wants and needs.

NEED Livelihood Microfinance Private Limited (hereinafter referred to as "NLMPL") has framed Client Grievance Redressal Policy, with an intention to provide a tool by virtue of which any client may formally have a grievance, referred to the Grievance Redressal Officer of NLMPL, known as Client Grievance Manager. The aggrieved client has the right to represented by her husband or the group leader.

In the event of a client wishing to raise a grievance, it is preferable for the grievance to be satisfactorily resolved at the initial level itself. It is understood however, that this is not always possible and that a formal procedure is required to ensure the swift and fair resolution of matters which aggrieved NLMPL's clientele.

Time scales have been fixed to ensure that grievances are dealt with quickly, however these may be extended if it is agreed upon by both parties.

## **2. Objectives**

- Every client shall be treated in a fair manner.
- All clients shall be informed about the procedure and manner in which their grievances and suggestions shall be dealt with.
- The clients shall be informed of the avenues to escalate their grievances/complaints within the organisation and they shall be made aware of their rights so that they can opt for alternative remedies, in case they are not satisfied with the response of the Company.
- Every grievance/complaint/suggestion/feedback shall be treated in an unbiased and fair manner without any kind of prejudice.
- To treat all complaints/grievances efficiently and fairly as they can damage the Company's reputation and microfinance operations, if handled otherwise.
- All complaints/grievances raised by clients shall be dealt with courtesy and shall be resolved promptly.

- The employees will work in good faith and without prejudice to the interests of the client.

### 3. **Principles**

- **Transparency**- The client shall be provided with all information regarding the channels they can access to service their requirements and resolve their issues. In addition, the turn around time for issues to be redressed, including investigation and resolution, shall be communicated transparently and promptly.
- **Accessibility**- NLMPL enables its clients to contact the Client Grievance Manager on phone during working hours i.e. between 10:00 a.m. to 6:00 p.m. or by e-mail at [needmfi.grievances@gmail.com](mailto:needmfi.grievances@gmail.com). Clients may write to us at Client Grievance Manager, NEED Livelihood Microfinance Private Limited, 38/39, Neel Vihar, Near Sector-14 Power House, Indira Nagar, Lucknow-226016.
- **Escalation**- If the client is not satisfied with the resolution provided at the Branch Level or by our Client Grievance Manager, the complaint will be escalated to Regional Managers (details enclosed at the back) and thereafter to the MD's office for its resolution at [need.lko@gmail.com](mailto:need.lko@gmail.com).
- **Client Education**- NLMPL shall endeavor to make continuous efforts to educate its clients so as to enable them to make informed choices regarding the solutions offered by NLMPL.
- **Review**- The policy shall be reviewed by the Board every 6 months so as to provide better resolutions to grievances/complaints of the clients and incorporate their suggestions and feedback. A report shall be presented before the Board of Directors mentioning the details of grievances/complaints received and the manner in which they were redressed.

### 4. **Reasons for Client's Complaints /Grievances**

The Client complaint arises due to:

- a) The attitudinal aspects in dealing with clients
- b) Inadequacy of the functions/arrangements made available to the clients or gaps in standards of services expected and actual services rendered.

### 5. **Classification**

Clients have various kinds of Complaints/Grievances/Queries/Feedback which can be broadly classified, as under:

#### i. **Complaint based Classification:**

- **Service and Collection Related Complaints**

Complaints arising out of the services offered by NLMPL shall fall in this category. Services such as loan disbursement, frequency of payment of installments, amount payable in the form of installments, etc.

- **Grievances relating to Staff's Behaviour**

Grievance relating to the unethical behavior of any staff member of NLMPL shall be categorized in this sub-division. Clients shall be encouraged to come forward and report any such occurrences.

- ii. **Non-Complaint based Classification**

- **Queries regarding NLMPL's services**

Queries relating to services provided by NLMPL shall fall in this category. These queries shall range from inquiries about the various kinds of loan products, to the eligibility criteria for the purpose of obtaining a loan and shall include the

- **Feedback & Suggestions**

In this category, the feedback and suggestions given by the clients of NLMPL are included and noted. They are taken into consideration in a fair and unbiased manner.

## **6. Mechanism for resolution of Complaints/Grievance**

### **a) Initial Resolution at Branch Level-**

Branch Manager is responsible for the resolution of the complaints/grievances in respect of Client's serviced by the Branch. He/she is responsible for ensuring closure of all complaints/grievances received at Branches. It is his/her foremost duty to see that the complaint/grievances should be resolved completely to the Client's satisfaction and if the Client is not satisfied or, if the same is not resolved within the stipulated period, then she shall be provided with alternate avenues to escalate the issue. If the Branch Manager feels that it is not possible at his/her level to solve the problem he/she may refer the case to Regional Manager or Head Office for guidance. Similarly, if Regional Manager finds that they are not able to solve the problem such cases may be referred to the Client Grievance Manager, belonging to the Grievance Cell of the Company set-up at head office.

- i. Complaint Registers are provided in all the branches. Any written complaint is instantly and promptly noted and acknowledged by the BM by giving a complaint number.
- ii. Suggestion and Complaint Drop Box fixed at branches is locked with Keys with Area Manager, if any, client has any serious complaint against Branch or Branch Manager, she has an option of dropping her written complaint in the Box and AM during his weekly branch visit shall unlock the box and access the complaints/grievances, register it in the complaint register of the branch and will instruct BM to inform client about acknowledgement of her complaint/grievance and the same is in process. Further, AMs will ensure that all necessary steps are taken to resolve the complaints/grievances of the clients in timely and efficient manner.

- iii. Branches provide only those passbooks to the clients that contain the Client Grievance Manager's Telephone number for lodging their complaints or grievances, if any.
- iv. Branch Manager 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.
- v. Area Managers during their the Weekly Branch Monitoring checks the branch complaint/grievance book and complaint/grievance drop box and take suitable steps to timely resolve all grievances and complaints.
- vi. On a date decided by the Regional Manager, Branch Managers make themselves available at the branch between 4.00 p.m. and 5.30 p.m. to meet Clients/their spouses without any prior appointment.
- vii. All our Branches displays the name and telephone numbers of their Regional Manager and "Client Grievance Manager" for client complaints and grievances and educate the clients about our elaborate client grievance redressal mechanism and system.
- viii. All our branches display the name and telephone number of Sa-Dhan's Ethics and Grievance Redressal Committee and educate the clients that if company fails to solve or address their complaints at all levels, then only they can call at the number and record their complaints or grievance to Sa-dhan. All passbooks issued to clients also bear the same number and message.

**b) Resolution at Head Office Level**

- i. Grievance Cell has been set up at the Head Office of the Company with a person who shall act the Grievance Redressal Officer and shall be known as the Client Grievance Manager.
- ii. A Suggestion cum Complaint Drop Box is also maintained at the Head Office of the Company.
- iii. A dedicated phone line and Complaint Register is maintained at HO for receiving and recording clients complaints and grievances. A complaint number is issued to client for all complaints/grievances submitted through telephone or through suggestion cum complaint drop box, for future reference and follow up.
- iv. Contact details, such as her name and telephone number, has been printed in the vernacular language and displayed at all Branch Offices of the Company.
- v. If customers have grievances with regard to loan facility services provided by the organization, it will be resolved at branch office level as early as possible. In case, it is not resolved at branch office level, then appropriate action will be taken to resolve them at higher level based on their severity, and also with regard to loan

facility, organization will resolve the **customer grievances within 15 (fifteen) days from the date of complaints lodged.**

- vi. In case, if the problems or issues occur due to an external factor, or if the issues are beyond the control of the organization, then by understanding of such grievances/complaints and based on its severity, the amount of time that may be taken for resolving shall be decided, and that will be conveyed to member customers.
- vii. Client satisfaction and Client Feedback surveys are conducted by H.O. from time to time to assess the level of the client’s satisfaction has with regard to the resolution offered by the Company.
- viii. Monitoring and Review of Clients’ Grievances and Complaints at HO is done during the monthly meeting of the Grievance Cell with the Operations team under the Chairmanship of MD.

**7. Role of Internal Audit team**

While visiting a branch, the Internal Audit team shall conduct a random check of the level of awareness the client has regarding the grievance redressal mechanism, i.e. the manner in which they can register their complaints, the contact details of the Client Grievance Manager, etc. Further, in case of any complaints already registered, the Internal Auditor shall check whether the complaints have been resolved.

**8. Presentation before Board of Directors**

A Client Grievance Redressal Report shall be presented before the Board of Directors with the details regarding the number of grievance/complaints received, the number that have been resolved and the number that are in the process of being resolved. A half-yearly report shall be presented before the Board in the following format:

<b>S.No.</b>	<b>Type of Complaints/ Grievances/ Queries/ Feedback</b>	<b>No. of Complaints/ Grievances/ Queries/ Feedback received</b>	<b>No. of Complaints/ Grievances/ Queries/ Feedback resolved</b>	<b>No. of Complaints/ Grievances/ Queries/ Feedback in progress of being resolved</b>