



Reserve Bank - Integrated Ombudsman Scheme, 2021 (RB-IOS, 2021)



RB-IOS, 2021

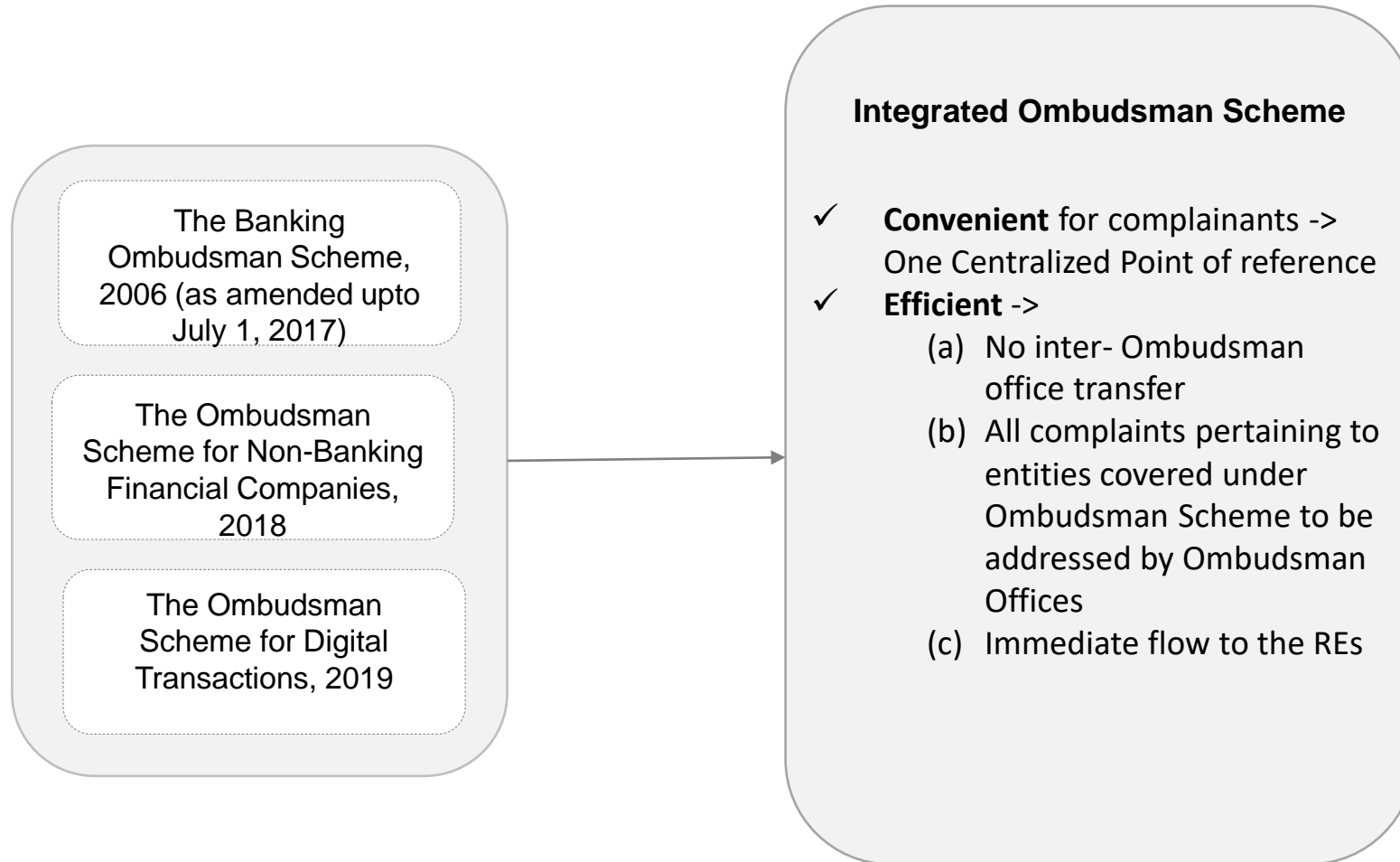
- One Nation one Ombudsman
- Centralised reference point for receiving all complaints against Regulated Entities
- Three existing Schemes merged into one (the BOS (as amended upto July 1, 2017), the OSNBFC, 2018 and the OSDT, 2019 - into **a single integrated “RB-IOS, 2021”**)



Entities Covered under the Scheme

- All Scheduled Commercial Banks, Regional Rural Banks and Scheduled Urban Co-operative Banks
- Non-Scheduled Urban Co-operative Banks with a deposit base of ₹50 Crore and above
- Deposit/Non-Deposit taking NBFCs having customer interface with asset size of above ₹100 Crore (Excluding: Infrastructure Finance Companies, Core Investment Companies, Infrastructure Debt Fund and NBFCs under liquidation)
- Other System Participants, such as Prepaid Payment Instrument Providers/ Semi-Closed wallets

Integration of existing Three Ombudsman Schemes



Existing Pillars of RBI – Grievance Redress

- Internal Ombudsman Framework
- Framework for Strengthening the Grievance Redress Mechanism in Banks including Enhanced Disclosures, Cost Recovery and Intensive Review
- CMS portal
- Multilingual awareness campaigns on various media





Establishment of CRPC

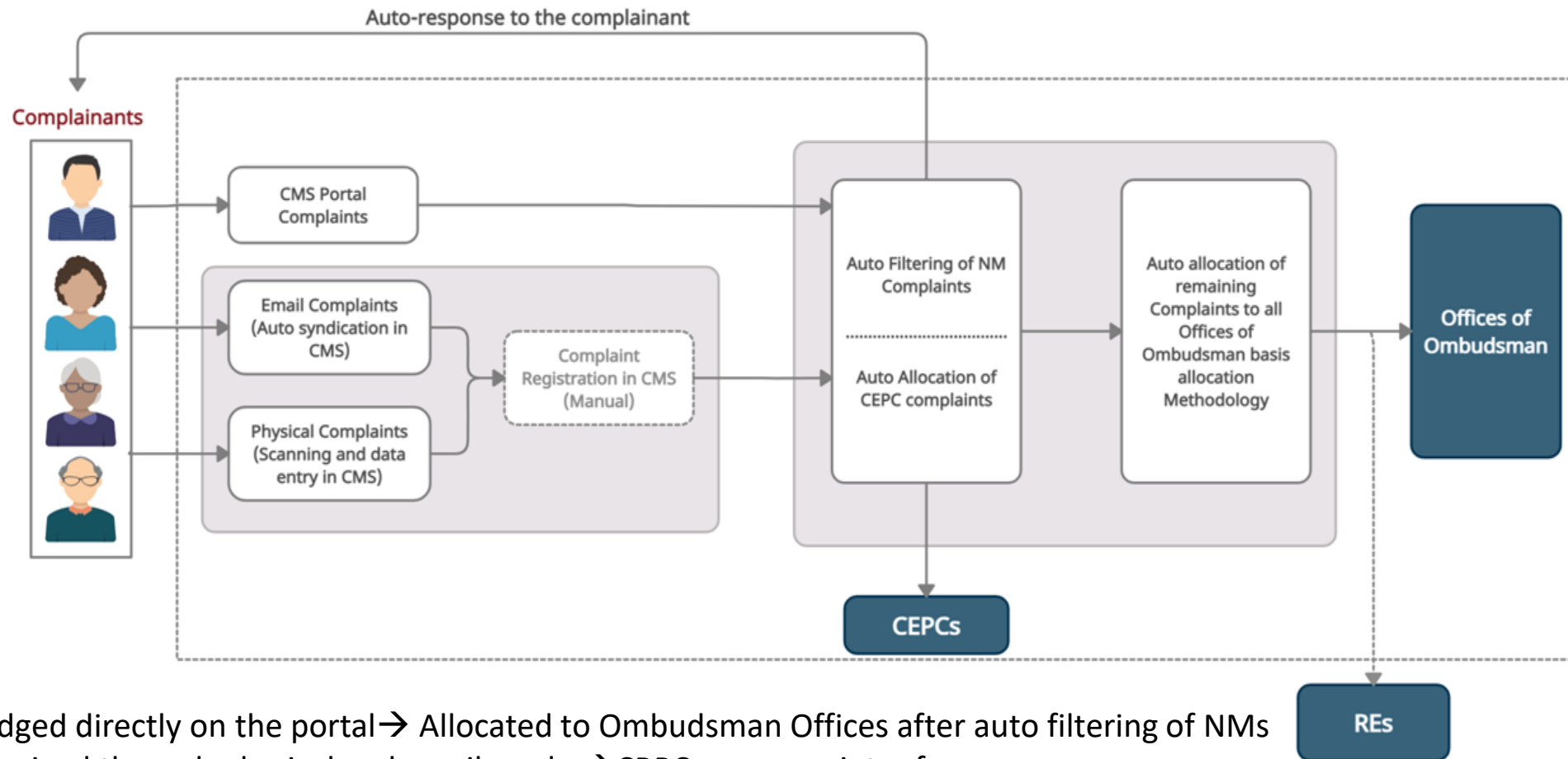
- Centralized Receipt and Processing Centre for receiving of physical and email complaints
- Initial processing of draft complaints (closure of certain Non-Maintainable complaints)

Procedure for filing a complaint

The complaint may be filed along with copies of the relevant documents at/to:

- <https://cms.rbi.org.in> or
- crpc@rbi.org.in, for electronic mode complaints, or
- Centralised Receipt and Processing Centre, 4th Floor, Reserve Bank of India, Sector -17, Central Vista, Chandigarh - 160017, for physical mode complaints

Setting up a Complaint Receipt & Processing Centre (CRPC): An integrated ref. point for customers at RBI



- ✓ Complaints lodged directly on the portal → Allocated to Ombudsman Offices after auto filtering of NMs
- ✓ Complaints received through physical and email mode → CRPC as one-point reference
- ✓ Registration of complaints received through E-mail/Physical mode) and **Auto-Filtering of NMs** at CRPC
- ✓ **Auto-allocation of balance of the complaints to REs /Ombudsman offices/ CEPCs**
- ✓ Operationalizing a time limited, **toll-free number** at CRPC → **Status queries, Helping file complaints**
- ✓ **Financial Literacy Centers** to facilitate filing of complaints

1. NM: Non-Maintainable
2. CMS: Complaint Management System
3. RE: Regulated Entities
4. CEPCs: Consumer Education and Protection Cell





Functions of Ombudsman and Deputy Ombudsman

➤ Ombudsman

- Handles Maintainable and Non-Maintainable complaints through summary proceedings
- Promotes settlement through facilitation or conciliation or mediation. If settlement not reached, can issue an Award

➤ Deputy Ombudsman

- Handles Non-Maintainable complaints
- Promotes settlement through facilitation or conciliation or mediation



Grounds of Complaints

- All complaints related to ‘deficiency in services’ on the part of the Regulated Entity
- “Deficiency in service” means any, shortcoming or an inadequacy in any financial service, which the Regulated Entity is required to provide statutorily or otherwise, which may or may not result in financial loss or damage to the customer
- Granular list of grounds incorporated in CMS portal
- An exclusion list for Non-Maintainable complaints



Exclusion list for Non- Maintainability of complaints

- (a) commercial judgment of a Regulated Entity;
- (b) a dispute between a vendor and a Regulated Entity relating to an outsourcing contract;
- (c) a grievance not addressed to Ombudsman directly;
- (d) general grievances against Management or Executives of a Regulated Entity;
- (e) a dispute in which action is initiated by a Regulated Entity in compliance with the orders of a statutory or law enforcing authority;
- (f) a service not within the regulatory purview of the Reserve Bank;
- (g) a dispute between Regulated Entities; and
- (h) a dispute involving the employee-employer relationship of a Regulated Entity.



Responsibility of REs

- Appoint a PNO – GM or officer of equivalent rank
- PNO will be the central point of contact between the Ombudsman and the Regulated Entity
- Lay down appropriate functional and reporting structures
- Articulate roles and responsibilities of the PNOs and NOs
- Provide adequate resources with appropriate skill sets to the officials dealing with complaints
- Conduct regular Root Cause Analysis of the complaints received, and compliance reporting
- Depute officers in appropriate rank to attend conciliation meetings with necessary approval powers/authority to make commitments on behalf of the RE to a course of action or otherwise, as required



Responsibility of PNO/NO

- Complaints shall go directly to REs upon registration in the CMS Portal/ CRPC and get assigned to PNO as well as NO
- Responsible for timely submission of information / documents
- Ensuring completeness and integrity of documentary evidences submitted
- Documents pertaining to complaints rejected full/partially at the RE to be invariably preserved and produced for immediate response
- PNO shall update the details of NO - to respective Ombudsman, CEPC and CEPD
- Limited time window to furnish information sought by Ombudsman (such as 15 days)
- Ombudsman may provide extra time as he deems fit after receipt of reference
- PNO can reassign complaints to alternate NO if any NO is on leave / inactive
- If Non- Maintainable complaints get closed – PNO/NO will receive alert in the system



Dashboards available

- PNO to have multiple dashboard for complaint handling – NO wise complaints assigned, Status of the record and Pending days
- Filters – NO name, category, date, closure clause, geographical area etc.

Reports available

PNO to have multiple reports to analyze and for early disposal of the complaints:

- Pendency report
- Resolution of complaints – Maintainable, resolved in favor of RE / complainant, Awards issued, Periodic statement of position of complaints, Advisory issued



Alerts to PNO/ NO

System generated alerts will be sent :

- When NO details are absent
- Whenever NO record is created
- Whenever complaint is transferred from one office to other
- Separate alert for FRC complaints
- If any response is pending for 15 days, 30 days etc.
- Daily email - with consolidated position of complaints assigned to each PNO/NO



Resolution of complaint

- Ombudsman to promote settlement of complaint by agreement between the complainant and the Regulated Entity through facilitation or conciliation or mediation
- Regulated Entity to submit its reply to the Ombudsman for the averments in the complaint enclosing the relevant documents, within 15 days
- Ombudsman may grant further time at his/her discretion, at the request of the Regulated Entity
- If RE fails to submit its reply and documents within the time stipulated, the Ombudsman may proceed *ex-parte* and pass appropriate Order or Award
- If the complaint is not resolved through facilitation, the Ombudsman may exercise other appropriate methods including a meeting of the complainant with RE for resolution of the complaint by conciliation or mediation



Award by the Ombudsman

- An **Ex-parte** Award will be issued for non-furnishing of information within stipulated time by Regulated Entities
- If complaint is not resolved through facilitation or conciliation or mediation, based on documents and after giving a reasonable opportunity to both the parties, an Award will be passed
- In the Award passed, the maximum compensation exclusive of the amount involved in the dispute will not be, an amount which is more than the actual loss suffered by the complainant, or **twenty lakh rupees** whichever is lower
- Maximum compensation of **Rs. 1 lakh** to the complainant for the loss of the complainant's time, expenses incurred by the complainant, harassment and mental anguish suffered by the complainant



Rejection of the complaint

- The Deputy Ombudsman or the Ombudsman may reject a complaint if it falls under non-maintainable clauses or it is in the nature of offering suggestions or seeking guidance or explanation.
- The Ombudsman may reject a complaint if:
 - there is no deficiency in service; or
 - relief sought beyond pecuniary jurisdiction of the Ombudsman; or
 - the complaint is not pursued by the complainant with reasonable diligence; or
 - the complaint is without any sufficient cause; or
 - the complaint requires consideration of elaborate documentary and oral evidence and the proceedings before the Ombudsman are not appropriate for adjudication of such complaint; or
 - in the opinion of the Ombudsman, there is no financial loss or damage, or inconvenience caused to the complainant.



Appellate Authority

- Appellate Authority will be Executive Director, CEPD
- No right of appeal to Regulated Entities for Awards issued for violation of provisions related to not furnishing of appropriate and satisfactory information within stipulated time
- The party aggrieved by the Award can file an appeal, within thirty days of the date of receipt of communication of Award or rejection of the complaint



Regulated Entity to display salient features of the Scheme

- Display- at all branches & places of business
 - the names and contact details (Telephone / mobile number and E-mail ID) of PNO
 - the details of complaint lodging portal of Ombudsman (<https://cms.rbi.org.in>)
 - the salient features of the scheme – English, Hindi, Regional Language

- Copy of the scheme shall be available with one designated officer in each branch

- Copy of the Scheme shall be prominently displayed and updated on the website

Thank You

